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ASSOCIATION OF AMERICAN PUBLISHERS

1984 INDUSTRY STATISTICS

COMPILED BY

Statistical Service Center

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TABLE OF CONTENTS

All SALES Tables and Figures include both 1983 and 1984 data except as shown. All tables including UNIT data are so noted in this Table of Contents.

All OPERATING DATA Tables include 1984 data only, except as noted.

Page(s)		
		AAP Letter
		Instructions for Preparing Your Looseleaf Binder
i-ii		Report Title and Copyright Notice
iii-vi		Table of Contents
vii		Foreword
viii		Acknowledgements
ix-x		Statistics Committees
xi-xii		Participating Publishers
xiii-xiv		Introduction
xv-xvi	Table S1	Estimated Book Publishing Industry Sales 1972, 1977, 1982-84
xvii		Economic Review of the Year: 1984
xviii	Figure S1	Estimated Book Publishing Industry Net Sales 1972, 1977, 1982-84
	Figure S2	1984 Income From Operations by Industry Segment
		Section A - Trade & Religious Book Publishers and Divisions
A1	Table A1	Actual and Estimated Trade and Religious Book Sales
A2	Figure A1	Estimated Trade and Religious Book Net Sales 1972, 1977, 1982-84
A3-A5	Table A2	Trade Book Sales by Type of Book (Dollars and Units)
A6-A7	Table A3	Domestic Net Trade Book Sales by Type of Customer 1984
A8	Table A4	Net Trade Book Sales by Geographical Location 1984
A9-10	Table A5	Operating Data of Trade Book Publishers by Type of Book
A11	Table A6	Manufacturing Expense by Type of Book
	Table A7	Royalty Expense by Type of Book
A12	Table A8	Other Publishing Income by Type of Book
A13	Table A9	Editorial Expense by Type of Book
	Table A10	Production Expense by Type of Book
A13-A14	Table A11	Marketing Expense by Type of Book
A14	Table A12	Fulfillment Expense by Type of Book
A15	Table A13	General and Administrative Expense by Type of Book
	Table A14	Summary of Employee Benefits Expense by Type of Book
A16-A17	Table A15	Operating Data of Trade Book Publishers by Size of Publisher
A17	Table A16	Manufacturing Expense by Size of Publisher
A18	Table A17	Royalty Expense by Size of Publisher
	Table A18	Other Publishing Income by Size of Publisher
A19	Table A19	Editorial Expense by Size of Publisher
	Table A20	Production Expense by Size of Publisher
A20	Table A21	Marketing Expense by Size of Publisher
A21	Table A22	Fulfillment Expense by Size of Publisher
A22	Table A23	General and Administrative Expense by Size of Publisher
	Table A24	Summary of Employee Benefits Expense by Size of Publisher
A23	Figure A2	1984 Disposition of Income by Trade and Religious Book Publishers
	Table A25	Employee Data
A24	Table A26	Billings and Receivables
	Table A27	Inventory Turnover

Continued on page iv

TABLE OF CONTENTS

Continued from page iii

Page(s)		
		Section B – Technical, Scientific, Business, Medical, and Other Professional Book Publishers and Divisions
B1	Table B1a	Sales of Professional Books by Category of Publication
B2	Figure B1	Estimated Professional Book Net Sales 1972, 1977, 1982–84
B2–B3	Table B1b	Sales of Professional Books by Category of Publication (Dollars and Units)
B4	Table B2	Net Sales of Professional Books by Subject Category (Dollars and Units)
B5	Table B3	Domestic Net Sales of Professional Books by Type of Customer 1984
B6	Table B4	Net Sales of Professional Books by Geographical Location 1984
B6–B7	Table B5	Operating Data of Professional Book Publishers by Category of Publication
B8	Table B6	Manufacturing Expense by Category of Publication
B9	Table B7	Royalty Expense by Category of Publication
	Table B8	Other Publishing Income by Category of Publication
B10	Table B9	Editorial Expense by Category of Publication
	Table B10	Production Expense by Category of Publication
B11	Table B11	Marketing Expense by Category of Publication
B12	Table B12	Fulfillment Expense by Category of Publication
B13	Table B13	General and Administrative Expense by Category of Publication
	Table B14	Summary of Employee Benefits Expense by Category of Publication
B14–B15	Table B15	Operating Data of Professional Book Publishers by Size of Publisher
B15	Table B16	Manufacturing Expense by Size of Publisher
B16	Table B17	Royalty Expense by Size of Publisher
	Table B18	Editorial Expense by Size of Publisher
B17	Table B19	Production Expense by Size of Publisher
	Table B20	Marketing Expense by Size of Publisher
B18	Table B21	Fulfillment Expense by Size of Publisher
B19	Table B22	General and Administrative Expense by Size of Publisher
	Table B23	Summary of Employee Benefits Expense by Size of Publisher
B20	Figure B2	1984 Disposition of Income by Professional Publishers
	Table B24	Employee Data
B21	Table B25	Billings and Receivables
	Table B26	Inventory Turnover
		Section C – Mass Market Paperback Publishers
C1	Table C1	Sales of Mass Market Paperbacks (Dollars and Units)
C2	Figure C1	Estimated Mass Market Paperback Sales 1972, 1977, 1982–84
C3	Table C2a	Sales of Rack-Sized Mass Market Paperbacks by Type of Customer (Dollars and Units)
C4	Table C2b	Sales of Non-Rack-Sized Mass Market Paperbacks by Type of Customer (Dollars and Units)
C5	Table C3a	Operating Data of Mass Market Paperback Publishers (Rack-Sized Books Only), 1983–84
C6	Table C3b	Revenues and Cost of Sales of Non-Rack-Sized Book Publishers, 1983–84
	Table C4	Reserve For Returns of Mass Market Paperback Publishers, 1983–84
C7	Table C5	Editorial, Production, and Marketing Expense (Rack-Sized Books Only), 1983–84
C8	Table C6	Employee Data (All Products), 1983–84
	Table C7	Guarantees (All Products), 1983–84

Continued on page v

TABLE OF CONTENTS

Continued from page iv

Page(s)		
		Section D – Book Clubs and Mail Order Publications
D1-D2	Table D1	Sales by Book Clubs (Dollars and Units)
D2	Table D3	Geographical Distribution of Gross Sales by Book Clubs 1984
D3	Table D4	Operating Data of Book Clubs, 1983-84
D4	Table D5	Advertising and Promotion Expense of Book Clubs
	Table D7	Fulfillment Expense of Book Clubs
D5	Table D8	Consumer Mail Order Sales of Mail Order Publications (Dollars and Units)
	Table D9	Mail Order Publications Operating Data, 1983-84
D6	Table D11	Receivables and Bad Debts
		Section T – Estimated Elhi and College Industry Sales
F1	Table T1	Estimated Industry Sales of Textbooks, Educational Materials & Standardized Tests 1972, 1977, 1982-84
F2	Table T3	Estimated Domestic Industry Sales of Textbooks Related to Student Enrollment 1972, 1977-84
		Section F – School (Elhi) Publishers and Divisions
F3	Table F1	Sales of Elementary Textbooks and Materials (Dollars and Units)
F4	Table F2	Sales of High School Textbooks and Materials (Dollars and Units)
	Table F3	Sales of Elementary Textbooks and Materials by Subject Categories
F5	Table F4	Sales of High School Textbooks and Materials by Subject Categories
F6-F7	Table F5a	Sales of Elhi Textbooks and Materials by Geographical Location
F7	Figure F1	Estimated Elhi Textbook Net Sales 1972, 1977, 1982-84
F8-F9	Table F5b	Estimated Industry Sales of Elhi Textbooks by Geographical Location
F9-F10	Table F6	Geographical Analysis of Estimated Industry Sales of Elhi Textbooks
F11-F14	Table F7	Operating Data of Elhi Publishers by Size of Publisher, 1983-84
F15	Table F8	Inventory Data of Elhi Publishers by Size of Publisher
	Table F9	Cash Plant Expenditures of Elhi Publishers by Size of Publisher
F16	Table F10a	Editorial Expense of Elhi Publishers by Size of Publisher
	Table F10b	Production Expense of Elhi Publishers by Size of Publisher
F17	Table F11	Marketing Expense of Elhi Publishers by Size of Publisher
F18	Table F12	Fulfillment Expense of Elhi Publishers by Size of Publisher
F19	Table F13	General and Administrative Expense of Elhi Publishers by Size of Publisher
	Table F14	Summary of Employee Benefits Expense of Elhi Publishers by Size of Publisher
F20	Table F15	Billings and Receivables of Elhi Publishers
	Table F16	Employee Data of Elhi Publishers
	Table F17	Selected Balance Sheet Data of Elhi Publishers

Continued on page vi

TABLE OF CONTENTS

Continued from page v

Page(s)		
		Section G – College Publishers and Divisions
G1	Table G1	Estimated Industry Sales of College Textbooks
G2–G3	Table G2	Sales of College Textbooks and Materials (Dollars and Units)
G3	Table G3	Net Sales of College Textbooks and Materials by Product Category 1981–84 (Dollars and Units)
G4	Table G4	Estimated Domestic Sales of Books and Materials in the College Market 1972, 1977 1982–84
G5	Table G5	Domestic Net Sales of College Textbooks and Materials by Market Category
G5–G6	Table G6a	Net Sales of New and Revised and Backlist College Textbooks 1981–84 (Dollars and Units)
G6–G7	Table G6b	Domestic Net Sales of College Textbooks and Materials by Subject Categories 1982–84
G7–G10	Table G6c	Domestic Net Sales of College Textbooks by Subject Categories 1981–84 (Dollars and Units)
G10–11	Table G7a	Net Sales of College Textbooks and Materials by Geographical Location
G12	Table G7b	Geographical Analysis of Estimated Domestic Industry Sales of College Textbooks
G13–G17	Table G8	Operating Data of College Publishers by Size of Publisher, 1983–84
G18	Table G9	Inventory Data of College Publishers by Size of Publisher
	Table G10	Royalty Expense of College Publishers by Size of Publisher
G19	Table G11	Editorial Expense of College Publishers by Size of Publisher
	Table G12	Production Expense of College Publishers by Size of Publisher
G20	Table G13	Marketing Expense of College Publishers by Size of Publisher
G20–G21	Table G14	Salesmen's Compensation and Expense of College Publishers, 1981–84
G21	Table G15	Fulfillment Expense of College Publishers by Size of Publisher
G22	Table G16	General and Administrative Expense of College Publishers by Size of Publisher
	Table C17	Summary of Employee Benefits Expense of College Publishers by Size of Publisher
G23	Table G18	Editorial Expense Ratios of College Publishers, 1981–84
	Table G19	Production Expense Ratios of College Publishers, 1981–84
G24	Table G20	Marketing Expense Ratios of College Publishers, 1981–84
G25	Table G21	Fulfillment Expense Ratios of College Publishers, 1981–84
G26	Table G22	General and Administrative Expense Ratios of College Publishers, 1981–84
	Table G23	Employee Benefits Expense Ratios of College Publishers, 1981–84
G27	Table G24	Employee Data of College Publishers, 1981–84

We thank all companies participating in this 1984 report for helping to make it a useful industry index. If your company did not participate this year, please make every effort to do so in the 1985 report. Sales data questionnaires will be mailed February 1, 1986 and are scheduled to be returned by mid-March. Operating data forms will be mailed in early April and due in late May. These dates for 1986 are more in line with the availability of data. It is clear that broader participation, along with timely submission of data, will make this report an even more valuable resource for AAP members.

TOWNSEND HOOPES

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My thanks to my wife, Sally, for continuing to "put-up" with all the trappings of this project; for doing most of the data entry, and for overseeing the production and distribution of the report.

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Continued on page x

Continued from page ix

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New American Library

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School Division

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Scott, Foresman

Robert Paterra
McGraw-Hill

Jill Ring
Holt, Rinehart & Winston

Daniel Robins
Charles Merrill

PARTICIPATING PUBLISHERS

Code letters following the participant's name identify the divisions to which that publisher responded:

A – Trade and Religious	**D – Book Clubs and Mail Order Publications**
B – Professional	**F – School (Elhi)**
C – Mass Market Paperback	**G – Higher Education (College)**

Publishers are listed, in accordance with their own choice, either as corporate entities or with subsidiaries shown separately, depending on the manner in which their data was supplied to the Survey.

Harry N. Abrams	A
Addison-Wesley Publ. Co.	A, B, F, G
Allyn & Bacon	D, F, G
American Chemical Society	B
American Hospital Publishing	B
American Mathematical Society	B
Jason Aronson	D
Aspen Systems Corp.	B
Avon Books	C
Bantam Books	C
Berkley Publishing Group	C
Book-of-the-Month Club	D
R.R. Bowker	B
Burgess Publishing Co.	G
CRC Press	B
Marcel Dekker	B
Dell Publishing Co.	C
Doubleday & Co.	A, D
Educational Services	A
Elsevier Science Publ.	B
Ginn & Co.	F
Harcourt Brace Jovanovich	B
Harper & Row, Publ.	A, B, G
Health Administration Press	B
D.C. Heath & Co.	B, F, G
Holt, Rinehart & Winston	A, F, G
Houghton Mifflin Co.	A, F, G
Industrial Press	B
ITT-Bobbs Merrill Educ.	A, F, G
Jossey-Bass, Inc., Publ.	B

Continued on page xii

PARTICIPATING PUBLISHERS

Continued from page xi

Kluwer Academic Publ.	B
Laidlaw Brothers	F
Little, Brown & Co.	A, B, G
Macmillan Publ. Co.	A, B, F, G
Mayfield Publishing Co.	G
McDougal, Littell & Co.	F
McGraw Hill Book Co.	A, B, D, F, G
Charles E. Merrill Publ.	F, G
William Morrow & Co.	A
C.V. Mosby Co.	B
National Publishing	A
New American Library	A, C
W.W. Norton & Co.	A, G
Oryx Press	B
Oxford University Press	A, B, G
Pitman Publishing	B, G
Praeger Publishers	B
Prentice-Hall	A, B, D, F, G
Putnam Publishing Group	A
Rand McNally & Co.	A
Random House	A, C, F, G
Riverside Publishing Co.	F
St. Martin's Press	A, G
W.B. Saunders Co.	B
Scholastic Inc.	F
Scott, Foresman & Co.	F, G
Silver Burdett Co.	F
Simon & Schuster	A, B, C
South-Western Publishing Co.	F, G
Springer-Verlag, New York	B
Time-Life Books	D
University Microfilms Int'l	A
University Press of America	G
Van Nostrand Reinhold	A, B
Viking Penguin	A
Wadsworth Publ.	G
Warner Books	C
Westminster Press	A
John Wiley & Sons	B, G
Williams & Wilkins	B
Xerox Education Publ.	D
Year Book Medical Publ.	B

AAP Statistical Surveys embrace the entire book publishing industry, educational as well as general, including activities of publishers who produce audio-visual and other non-print materials. All major divisions of the industry are given detailed coverage in this volume, except Subscription Reference (i.e. encyclopedia and related product), Standardized Tests, and University Presses whose activities appear only in summary form or in industry estimates, since detailed reports for these groups are issued separately.

The divisions for which extensive marketing and operating data have been provided in this volume are:

Trade and Religious - Section A
Professional - Section B
Mass Market Paperback - Section C
Book Club & Mail Order Publ. - Section D
Elhi Textbooks and Materials - Section F
College Textbooks and Materials - Section G

In addition, estimates of total industry activity are provided in Table S1 following this introduction, and, for the educational portion of the industry, in tables T1 and T3.

Most of the features of the prior years reports have been retained. It should be noted, however, that the 1983 information in this 1984 Industry Statistics may vary from comparable data in the 1983 Industry Statistics report. This is due to differing respondents in each year.

Publishers and organizations both within and without AAP were asked to contribute data. A complete list of participating publishers is included with this report.

HOW TO UTILIZE THIS SURVEY

The key to a meaningful and useful industry statistical report is comparability. If a publisher, attempting to relate his own experiences to the composite data, finds that he can do so with relative ease, he is likely to reap considerable benefits from an analysis of common experience.

A number of strategies have been employed in this report to enhance comparability. Structurally, the survey brings together groups of publishers who operate in similar economic circumstances. The factors which contribute to a communality of statistical interests are, predominantly, similarities of product, of market, and of marketing technique. These are similarities, however, not identities. The character of the material published, the intended consumer, and the means of reaching him often vary considerably even among publishers in the same division. In consequence, methods of record keeping and accounting frequently differ as well.

INTERPRETING THE DATA

To achieve comparability for all requires that statistical information be produced in a common language, understandable and applicable to all. Hence common definitions, formulated on a divisional basis, reflect majority practice in each division.

When a publisher reports to the survey, he translates his data into the common language, thus making it comparable with data from other contributors. This is vital if a meaningful result is to be obtained. **What is equally important, however, is that in analyzing the report, a publisher translate the data back into his own particular terms.** Only if he does so can the composite experience become genuinely meaningful to him.

Certainly, as an indispensable first step, the contributing publisher should compare his own submission, already rendered in the common language, to the report and by that means move on to a full translation.

Interpretation of the data, and relating it to his own circumstances requires that a publisher

Continued on page xiv

DEFINITIONS AND INSTRUCTIONS

Copies of the questionnaires, definitions and instructions, which were furnished to participating publishers, are available on request from the AAP New York Office.

It is essential that the reader familiarize himself with the General Instructions and Definitions, as well as with specific instructions and definitions of any section to which he refers, in order to give correct interpretation to the data presented.

Continued from page xiii

exercise imagination and analytical skill. He must detect similarities, as well as differences, between himself and the industry group portrayed. This introduction, the text with the tables, and the definitions contained in the questionnaires (available on request from the AAP New York Office), will alert the analyst to most of the difficulties in this area.

METHODS OF GATHERING AND REPORTING DATA

The Survey adopted a flexible attitude regarding the extent of detail publishers were able to furnish about their sales and operating experience. While encouraging them to provide as much specific information as possible, it also urged them to supply at least totals or summaries whenever details were not available.

Consequently, in reporting data on varying levels of details, the following devices have been employed:

Tables reporting sales or operating ratios for categories of publication or types of book, contain vertical lead columns headed "All Sales" or "All Publishers", followed by columns devoted to "Hardbound", "Paperbound" or other categories. In such cases data that publishers have not broken down by category will appear in the "All Sales" or "All Publishers" column, **along with** the sum of the detailed figures in the remaining columns, while **only specific** data pertaining to the detailed categories will appear in the category column proper. As a result, the detail columns will **not add horizontally** to equal the ammounts shown in the summary columns. In most cases, the summary column will show amounts **larger** than the total of the detailed columns. (A space break is inserted between the summary columns and the detail columns to emphasize this point).

Horizontal line entries, when representing breakdowns subsequently totaled, may be followed by a line designated **"Unspecified".** This line represents that portion of the total data for which breakdowns have not been furnished by publishers. However, whenever percentages of totals are reported with lines giving breakdowns, these percentages are calculated assuming that the "Unspecified" amounts would break down in the same proportion to the total as the detail actually reported. Accordingly, no percentage relationship to the total is assigned to "Unspecified" entries. (In Section C, Mass Market Paperback, unspecified **data** are allocated in the same proportions as reported data and are **not** shown separately as "Unspecified").

In reporting **Operating Data in Sections A and B,** the principal income and expense areas are summarized in two **main tables** by: a. **category** or **type** of book published; and b. **size** of publisher. The main tables are followed by **detail tables** in which income and expense areas are analyzed by more specific breakdowns. (In **Sections F and G** the analysis is by **size** only).

It is important to remember that the **population of publishers reporting to the main operating table and to each of the detailed tables may not necessarily be the same.** In fact, for certain categories of income or expense, some publishers' data will appear only in the main table, while others' will appear in both, and certain others' only in the detail tables. (The last instance may involve publishers who, because they did not report Gross Sales and Returns but only Net Sales, could not be included in the main table, but who furnished income and cost details which could be related to their Net Sales and reported in the detail tables, or publishers who could report data for 1984 only, while the main table may have required both 1983 and 1984 data).

To provide full **perspective on the population** represented in each table, be it a main or detail table, the following information is normally furnished:

1. Number of Publishers Included
2. Net Sales of Publishers Included

Readers should not be misled, however, by a **superficial examination** of the **number** of publishers represented in, for example, a main table and a related detail table. Only if **both** the **Net Sales AND the number of reporting publishers** appear to match is it likely that the same population is represented. Similarities of number **OR** Net Sales should not be mistaken for identities!

In this connection, please note that the following populations are identical:

The publishers included in the **two main tables** (i.e. the **same** publishers' data are analyzed by category and size.

The publishers included in each group of two income or expense sub-tables (e.g. the editorial experience of the **same** publishers are analyzed by category and size.

Accordingly, the "All Publishers" vertical lead columns will be identical in each of the two main tables, the two editorial expense tables, the two marketing expense tables, etc. The remaining columns will change, however, in accordance with the nature of the analysis by category and size.

ESTIMATING BY PUBLISHERS

To restate their data in the common language of the definitions and to satisfy requests for detailed breakdowns, required that publishers estimate some of the information they supplied to this Survey. Not only were they encouraged to do so, but specific

Continued on page xvi

TABLE S1 - ESTIMATED BOOK PUBLISHING INDUSTRY SALES 1972, 1977, 1982-84

MILLIONS OF DOLLARS

	1972	1977	1982		1983		1984			
	$	$	$	PCT CHG FROM 77	$	PCT CHG FROM 82	$	PCT CHG FROM 83	PCT CHG FROM 82	PCT CHG FROM 77
TRADE (TOTAL)	444.8	887.2	1355.5	52.8	1595.2	17.7	1695.8	6.3	25.1	91.1
ADULT HARDBOUND	251.5	501.3	671.6	34.3	807.6	20.3	833.4	3.2	24.1	66.2
ADULT PAPERBOUND #	82.4	223.7	452.0	102.1	531.6	17.6	582.1	9.5	28.8	160.2
JUVENILE HARDBOUND	106.5	136.1	180.3	32.5	190.3	5.5	208.2	9.4	15.5	53.0
JUVENILE PAPERBOUND	4.4	26.1	51.5	97.3	65.7	27.6	72.1	9.8	40.0	176.2
RELIGIOUS (TOTAL)	117.5	250.6	390.0	55.6	454.9	16.6	461.7	1.5	18.4	84.3
BIBLES, TESTAMENTS, HYMNALS & PRAYER-BOOKS	61.6	116.3	163.7	40.8	182.0	11.2	182.0	0.0	11.2	56.5
OTHER RELIGIOUS	55.9	134.3	226.2	68.4	272.9	20.6	279.7	2.5	23.7	108.3
PROFESSIONAL (TOTAL)	381.0	698.2	1230.5	76.2	1373.0	11.6	1458.1	6.2	18.5	108.8
TECHNICAL & SCIENTIF.	131.8	249.3	431.4	73.0	491.0	13.8	526.4	7.2	22.0	111.2
BUSINESS & OTHER PROF	192.2	286.3	530.6	85.3	561.2	5.8	589.1	5.0	11.0	105.8
MEDICAL	57.0	162.6	268.5	65.1	320.8	19.5	342.6	6.8	27.6	110.7
BOOK CLUBS	240.5	406.7	590.0	45.1	654.4	10.9	660.9	1.0	12.0	62.5
MAIL ORDER PUBLICATIONS	198.9	396.4	604.6	52.5	554.5	-8.3	573.9	3.5	-5.1	44.8
MASS MARKET PAPERBACK RACK-SIZED	250.0	487.7	665.5	36.5	706.1	6.1	732.9	3.8	10.1	50.3
UNIVERSITY PRESSES	41.4	56.1	122.9	119.1	129.9	5.7	139.3	7.2	13.3	148.3
ELEMENTARY & SECONDARY TEXT	497.6	755.9	1051.5	39.1	1149.7	9.3	1310.7	14.0	24.7	73.4
COLLEGE TEXT ●●	375.3	649.7	1142.4	75.8	1228.6	7.5	1279.0	4.1	12.0	96.9
STANDARDIZED TESTS	26.5	44.6	69.7	56.3	79.7	14.3	85.8	7.7	23.1	92.4
SUBSCRIPTION REFERENCE	278.9	294.4	396.6	34.7	443.0	11.7	465.2	5.0	17.3	58.0
AV & OTHER MEDIA (TOTAL)	116.2	151.3	148.0	-2.2	143.0	-3.4	175.0	22.4	18.2	15.7
ELHI	101.2	131.4	130.1	-1.0	124.3	-4.5	152.3	22.5	17.1	15.9
COLLEGE	9.2	11.6	7.9	-31.9	7.6	-3.8	8.8	15.3	11.4	-24.1
OTHER	5.8	8.3	10.0	20.5	11.1	11.1	13.9	25.0	39.0	67.5
OTHER SALES	49.2	63.4	77.1	21.6	80.0	3.8	83.1	3.9	7.8	31.1
TOTAL	3017.8	5142.2	7844.3	52.5	8592.0	9.5	9121.4	6.2	16.3	77.4

 # Includes Non-Rack-Sized sales by Mass Market Publishers of $113.5 million in 1982; $139.9 million in 1983, and $174.7 million in 1984.

●● The Higher Education Division of AAP has requested the Statistical Service Center to conduct an independent survey of College Publishers. For 1983, this survey of 46 college publishers, which, in the opinion of the Higher Education Division, represent the majority of known College publishing, reported sales of $993.4 million. The results of the 1984 Survey (undertaken in 1985) are presented and discussed in Table G1.

Footnotes continued on page xvi

TABLE S1 - ESTIMATED BOOK PUBLISHING INDUSTRY SALES 1972, 1977, 1982-84

Continued from page xv

This table provides estimates of U.S. Produced product.

The sales estimates in **Table S1** are based on the 1977 and 1982 Censuses of Manufactures for SIC 2731 (Book Publishing) by the Bureau of the Census of the U.S. Department of Commerce. In addition, increases and decreases in yearly sales estimates reflect **actual** percentage changes in sales as reported to this survey, and to the AAP Monthly Sales Report by participating publishers.

As in prior reports, the estimates reflect the impact of the industry expansion created by new establishments entering the field, in addition to incorporating the sales increases or decreases of established firms.

Readers comparing the estimated data with Census reports should recall that the U.S. Census does not include data on most university presses or on other institutionally sponsored and not-for-profit publishing activities, nor on the audiovisual and other media materials which are included in this table. On the other hand, AAP estimates have traditionally excluded Sunday School Materials, and certain pamphlets which are incorporated in the Census data.

It should be noted that the "Other Sales" category in **Table S1** does not include any regular book sales but only sheet sales, domestic and export (except those to prebinders) and miscellaneous merchandise sales.

Estimates include domestic sales and export sales only and do not cover indigenous activities of publishers' foreign subsidiaries.

INTRODUCTION

Continued from page xiv

suggestions and instructions for formulating the most significant of these estimates were provided in the questionnaires.

OTHER TERMS AND DEVICES

Arithmetic Averages are supplied throughout this Report.

Ranges of two types are employed:

Full ranges (simply identified as "Range" in column headings) represent the lowest and highest data values reported by individual publishers.

Mid-ranges (an abbreviation in column headings for "Mid-50% Range" or, more technically, "Interquartile Range") represent the experiences of the middle 50% of the reporting group, i.e. those from the 26th to the 75th percentile on a scale that arranges the data values in order, from the lowest to the highest. By utilizing the "mid-range" rather than the full range, it is possible to report only the most representative experiences, eliminating the high and low extremes which, for a variety of reasons, may be uncharacteristic.

Except in instances where full range reporting is required to make the data meaningful, mid-ranges are utilized throughout this Report.

Dollar totals are calculated by accumulating individual items rounded to the nearest dollar (or to the nearest thousand in certain sales tables) and **do not** represent simple additions of the items in a column. (Because of the rounding practice, the last digits in a column may not add exactly when the items in that column are totalled arithmetically).

PREVENTING DISCLOSURE

Whenever specific information--either actual data, or citing the number of publishers reporting--could lead to disclosure of their individual activities, such information has been withheld and the fact noted in the text accompanying the tables.

ECONOMIC REVIEW OF THE YEAR: 1984

The economy unfurled another banner year in 1984. Comprehensive figures, added to those of the year before, indicated a recovery of almost unprecedented proportions. The total output of goods and services represented one of the strongest increases of the post-war period while inflation seemed stuck at the moderate four percent mark.

There were some misgivings, however, about a slowing, erratic rate of production near the end of 1984. Demand was still as strong as ever, but more of it was being satisfied by low-priced goods from abroad.

By the spring quarter, the economy had recovered the ground lost in the severe 1981-82 recession, and when the year ended it had recorded these remarkable achievements:

-- gross national product was 6.8 percent above the year before, the largest gain since the Korean War (perhaps even more remarkable, the fourth quarter GNP was up 12.4 percent from the end of 1982 -- the strongest two-year rise in 20 years).

-- business investment soared about 20 percent.

-- the number of people at work rose by 4 million, on top of a similar gain in 1983, and the unemployment rate declined from 8.0 percent in January to 7.2 percent in December.

-- inflation came in at about 4 percent for the third consecutive year.

-- productivity and profits continued to advance.

Furthermore, there were optimistic overtones. The economy seemed far removed from the shattering oil price increases of the 1970s.

Workers seemed more willing to accept moderate wage increases rather than risk a re-run of inflation. The combination of a schedule of huge defense projects and consumer confidence seems to promise continued strong demand.

As in every recovery, however, some disturbing signs began to appear:

-- while exports seemed to edge up only slightly, imports surged, partly because the dollar was hanging much higher than anyone thought possible.

-- interest rates, as measured after inflation, continued at a remarkably lofty level and seemed to be a major factor in pushing the dollar ever higher in relation to other currencies.

-- the rate of growth became slower and more erratic, ranging from 10 percent in the first quarter to about 1-1/2 percent in the third quarter.

-- concern lingered about international debt problems even though, for most countries, there was no longer an atmosphere of crisis.

-- lower prices were not an unmixed blessing: many farmers had overextended during the period of high prices and were forced into bankruptcy, and they were being followed by many banking institutions which had lent to them and to the oil industry.

Some slowing in the rate of growth had been expected since an expansion usually begins to slow as it matures. Policymakers usually hope for a gradual slowing to a rate of 3 to 5 percent that can be sustained over a long period of time.

A more worrisome aspect was the imbalance in the international sector. Even with a reduced appetite for petroleum, Americans purchased enough foreign goods to produce a deficit of $123 billion, far surpassing the previous record of $69.4 billion in 1983. Thus, foreign goods began to take a substantial share of total U.S. gross national product. Moreover, the familiar American safety net, the income from foreign investment and other services, had become seriously eroded. The current account -- in essence the total of goods and services -- ran a deficit of more than $100 billion. In effect, the large Federal Government budget deficits were being financed by an influx of foreign funds.

These strains on the international side did not overshadow the overall economic gains: strong growth in production, jobs, personal income and profits. And since inflation was being held in check, there were no signs of the type of stress that had ended other periods of prosperity in the recent past.

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We acknowledge gratefully the assistance of Adren L. Cooper, Office of the Chief Economist, U.S. Department of Commerce, for preparing the above review.

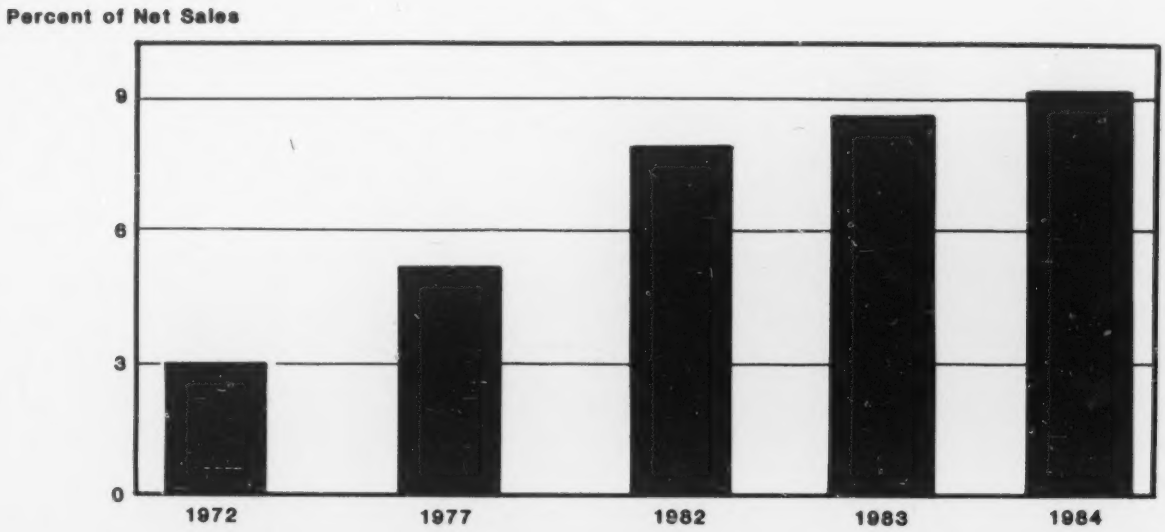


FIGURE S1 - ESTIMATED BOOK PUBLISHING INDUSTRY NET SALES 1972, 1977, 1982-1984

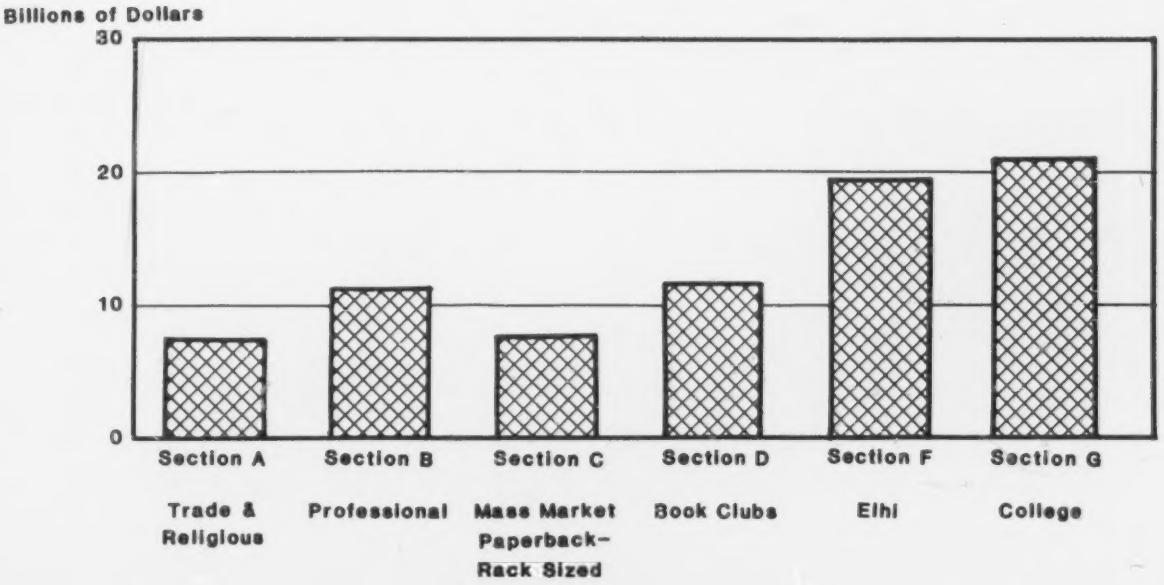


FIGURE S2 - 1984 INCOME FROM OPERATIONS

SECTION A - TRADE AND RELIGIOUS BOOK PUBLISHERS AND DIVISIONS

Please refer to the GENERAL INSTRUCTIONS AND DEFINITIONS, and the specific instructions and definitions for this divisional survey in QUESTIONNAIRE FORM A (available on request from the AAP New York Office) to insure the correct interpretation of this report. Furthermore, the methodology used in gathering and reporting data, which is discussed in the INTRODUCTION should be reviewed for a full understanding of the tables and text.

SALES DATA

Table A1 provides sales comparisons between 1984 and 1983 based on data furnished by 23 participating trade and religious publishers. Estimated industry totals, extrapolated from actual data gathered in this Survey and from the monthly AAP sales report program are also furnished.

Trade and religious book publishers reported 1984 net sales of $636.6 million to this Survey. Based on the estimates shown in **Table S1**, the net sales reported represent some 32.1% of the total trade and religious book sales of the industry.

Table A2 provides sales data by type of book for 1984 and 1983 in both dollars and units.

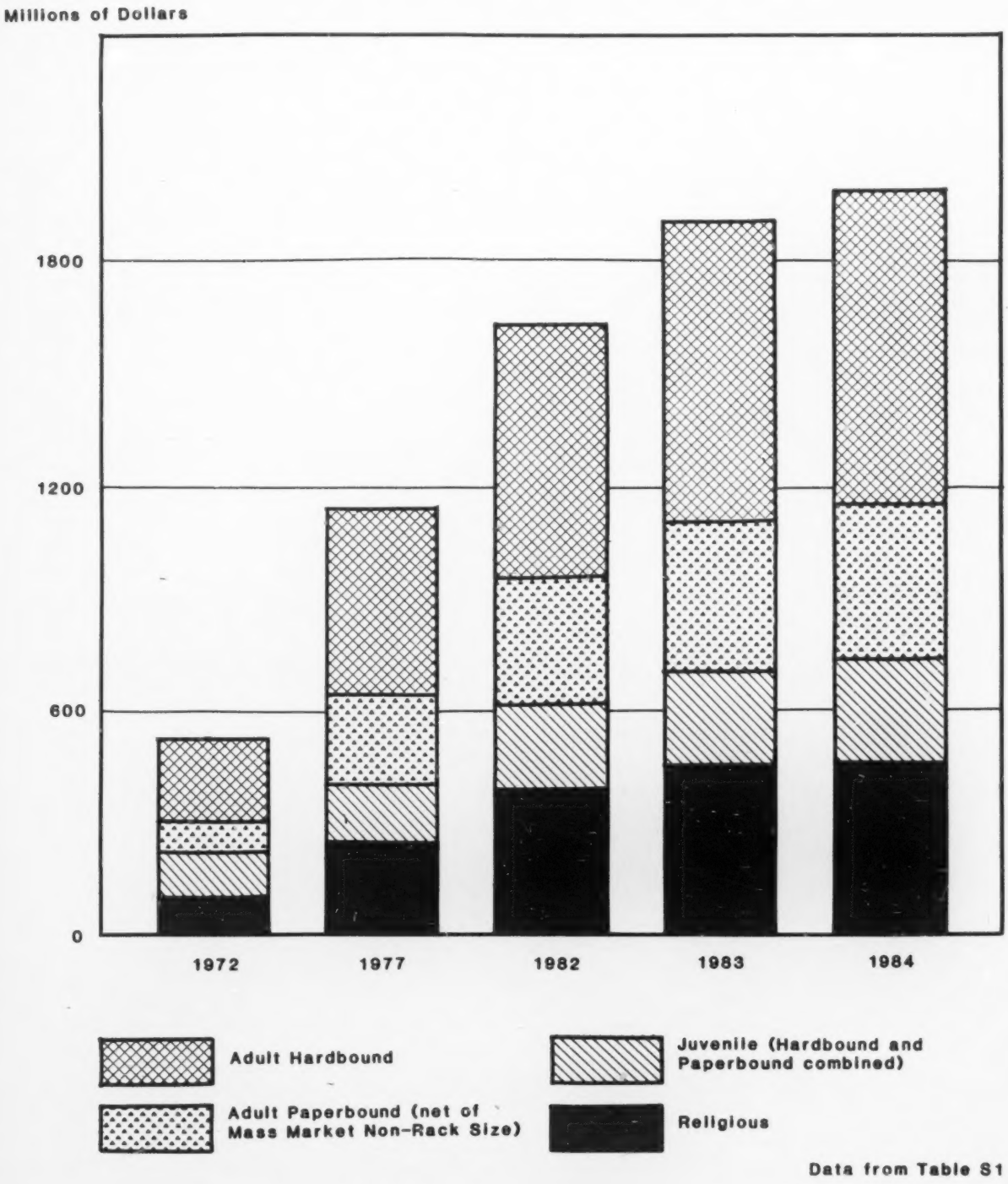
TABLE A1 - ACTUAL AND ESTIMATED TRADE AND RELIGIOUS BOOK SALES

MILLIONS OF DOLLARS -- AS REPORTED BY 23 PUBLISHERS
WITH ESTIMATES OF TOTAL INDUSTRY TRADE BOOK SALES

	1984		1983		PERCENT CHANGE	
	ACTUAL REPORTS	EST. TOTAL	ACTUAL REPORTS	EST. TOTAL	ACTUAL REPORTS	EST. TOTAL
GROSS SALES	791.7	2335.2	738.4	2251.4	7.2	3.7
RETURNS	155.0	352.4	123.9	337.8	25.1	4.3
NET SALES	636.6	1982.8	614.5	1913.6	3.6	3.6

	1984			1983		
	ACTUAL REPORTED		ESTIMATED	ACTUAL REPORTED		ESTIMATED
	AVERAGE	MID-RANGE	AVERAGE	AVERAGE	MID-RANGE	AVERAGE
PERCENT RETURNS TO GROSS	19.6	16.0 TO 22.9	17.8	16.8	13.6 TO 20.5	17.7

FIGURE A1 - ESTIMATED TRADE AND RELIGIOUS BOOKS NET SALES 1972, 1977, 1982-84



Data from Table S1

TABLE A2 - TRADE BOOK SALES BY TYPE OF BOOK

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 23 PUBLISHERS

	GROSS SALES									
	1984		1983		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
ADULT HARDBOUND	413866	55905	390004	56916	6.1	-1.8				
ADULT PAPERBOUND	206964	59175	192929	56718	7.3	4.3				
JUVENILE HARDBOUND	114541	47400	103884	53700	10.3	-11.7				
JUVENILE PAPERBOUND	31225	33037	28040	36737	11.4	-10.1				
BIBLES, TESTAMENTS, HYMNALS & PRAYERBOOKS	8690	707	8499	834	2.2	-15.2				
OTHER RELIGIOUS	11948	2467	9193	2121	30.0	16.3				
OTHER	4418	3893	5885	5358	-24.9	-27.3				
TOTAL	791652	202582	738434	212384	7.2	-4.6				

	RETURNS									
	1984		1983		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
ADULT HARDBOUND	96232	12269	73449	9438	31.0	30.0				
ADULT PAPERBOUND	40115	11095	34889	10526	15.0	5.4				
JUVENILE HARDBOUND	13060	6236	10198	4346	28.1	43.5				
JUVENILE PAPERBOUND	2976	2158	2504	1658	18.8	30.2				
BIBLES, TESTAMENTS, HYMNALS & PRAYERBOOKS	476	44	383	38	24.3	15.8				
OTHER RELIGIOUS	1509	347	1924	354	-21.6	-2.0				
OTHER	650	134	554	110	17.3	21.8				
TOTAL	155017	32283	123901	26470	25.1	22.0				

Continued on page A-4

TABLE A2 - TRADE BOOK SALES BY TYPE OF BOOK

Continued from page A-3

	NET SALES									
	1984		1983		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
ADULT HARDBOUND	317634	43636	316555	47478	0.3	-8.1				
ADULT PAPERBOUND	166849	48080	158040	46192	5.6	4.1				
JUVENILE HARDBOUND	101481	41164	93686	49354	8.3	-16.6				
JUVENILE PAPERBOUND	28249	30879	25536	35079	10.6	-12.0				
BIBLES, TESTAMENTS, HYMNALS & PRAYERBOOKS	8214	663	8116	796	1.2	-16.7				
OTHER RELIGIOUS	10439	2120	7269	1767	43.6	20.0				
OTHER	3768	3759	5331	5248	-29.3	-28.4				
TOTAL	636635	170299	614533	185914	3.6	-8.4				

1984 Average Returns to Gross Sales...

	1984 PERCENT RETURNS TO GROSS									
	DOLLARS			UNITS			YOUR DATA			
	AVERAGE	MID-RANGE		AVERAGE	MID-RANGE					
ADULT HARDBOUND	23.3	18.4 TO	25.2	21.9	17.1 TO	25.2				
ADULT PAPERBOUND	19.4	14.0 TO	21.7	18.7	14.1 TO	22.6				
JUVENILE HARDBOUND	11.4	6.1 TO	13.0	13.2	6.8 TO	11.3				
JUVENILE PAPERBOUND	9.5	6.6 TO	14.5	6.5	6.2 TO	14.0				
BIBLES, TESTAMENTS, HYMNALS & PRAYERBOOKS	5.5	5.2 TO	7.1	6.2	2.9 TO	8.0				
OTHER RELIGIOUS	12.6			14.1						
OTHER	14.7			3.4						
TOTAL	19.6	16.0 TO	22.9	15.9	13.1 TO	20.8				

Continued on page A-5

TABLE A2 - TRADE BOOK SALES BY TYPE OF BOOK

Continued from page A-4

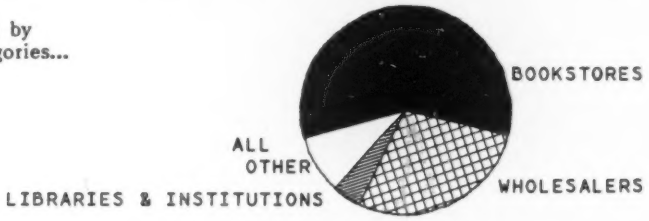
	1983 PERCENT RETURNS TO GROSS				
	DOLLARS		UNITS		YOUR DATA
	AVERAGE	MID-RANGE	AVERAGE	MID-RANGE	
ADULT HARDBOUND	18.8	15.3 TO 24.9	16.6	13.6 TO 20.7	
ADULT PAPERBOUND	18.1	12.6 TO 23.1	18.6	12.6 TO 21.4	
JUVENILE HARDBOUND	9.8	8.5 TO 12.0	8.1	7.3 TO 12.5	
JUVENILE PAPERBOUND	8.9	6.6 TO 10.2	4.5	5.8 TO 12.8	
BIBLES, TESTAMENTS, HYMNALS & PRAYERBOOKS	4.5	2.5 TO 5.8	4.6	2.7 TO 8.2	
OTHER RELIGIOUS	20.9	14.7 TO 46.0	16.7	15.6 TO 17.7	
OTHER	9.4		2.1		
TOTAL	16.8	13.6 TO 20.5	12.5	12.7 TO 18.3	

	DOLLARS PER UNIT NET SALES				
	1984		1983		YOUR DATA
	$-AVG	$-RANGE-AVG	$-AVG	$-RANGE-AVG	
ADULT HARDBOUND	7.28	3.55 TO 38.38	6.67	4.20 TO 38.70	
ADULT PAPERBOUND	3.47	2.43 TO 49.91	3.42	2.15 TO 55.00	
JUVENILE HARDBOUND	2.47	1.74 TO 9.35	1.90	1.17 TO 5.98	
JUVENILE PAPERBOUND	0.91	0.53 TO 4.25	0.73	0.45 TO 4.35	
BIBLES, TESTAMENTS, HYMNALS & PRAYERBOOKS	12.39	1.57 TO 18.29	10.20	1.57 TO 16.22	
OTHER RELIGIOUS	4.92	3.93 TO 5.48	4.11	1.43 TO 7.07	
OTHER	1.00	0.59 TO 5.16	1.02	0.51 TO 3.93	
TOTAL	3.74	1.57 TO 40.64	3.31	1.57 TO 40.45	

Note that the ranges for dollars per unit net sales in **Table A2** are **ranges of averages** reported by participating publishers.

TABLE A3 - DOMESTIC NET TRADE BOOK SALES BY TYPE OF CUSTOMER

Distribution by major categories...



THOUSANDS OF DOLLARS - AS REPORTED BY 14 PUBLISHERS

	ALL SALES		ADULT HARDBOUND		ADULT PAPERBOUND		YOUR DATA			
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL				
BOOKSTORES (TOTAL)	223122	58.3	108708	61.7	57390	61.4				
GENERAL	169084	54.5	84802	58.8	35684	56.3				
COLLEGE	9765	3.1	4114	2.9	3168	5.0				
RELIGIOUS	790	0.3	10	0.0	80	0.1				
PAPERBACK	600	0.2	0	0.0	0	0.0				
UNSPECIFIED	42883		19782		18458					
WHOLESALERS	108893	28.5	42856	24.3	21331	22.8				
PREBINDERS	309	0.1	0	0.0	0	0.0				
LIBRARIES & INSTITUTIONS (TOTAL)	16702	4.4	9634	5.5	4448	4.8				
PUBLIC LIBRARIES	1887	0.9	713	0.8	476	1.1				
COLLEGES & UNIVS.	1815	0.9	1024	1.2	193	0.5				
SCHOOLS	1401	0.7	473	0.6	430	1.0				
OTHER	3619	1.8	2482	2.9	943	2.2				
UNSPECIFIED	7980		4942		2406					
MASS MARKET OUTLETS	3813	1.0	1070	0.6	1221	1.3				
SPECIAL SALES	21244	5.6	11059	6.3	5122	5.5				
DIRECT TO CONSUMER	8478	2.2	2997	1.7	3909	4.2				
UNSPECIFIED	1308		0		0					
TOTAL	383869	100.0	176324	100.0	93421	100.0				

Continued on page A-7

TABLE A3 - DOMESTIC NET TRADE BOOK SALES BY TYPE OF CUSTOMER

Continued from page A-6

	JUVENILE HARDBOUND		JUVENILE PAPERBOUND		RELIGIOUS		YOUR DATA			
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL				
BOOKSTORES (TOTAL)	20101	44.5	6647	58.5	9446	52.6				
GENERAL	18396	44.5	5587	58.5	5192	36.1				
COLLEGE	4	0.0	2	0.0	1070	7.4				
RELIGIOUS	0	0.0	0	0.0	700	4.9				
PAPERBACK	0	0.0	0	0.0	600	4.2				
UNSPECIFIED	1705		1058		1884					
WHOLESALERS	20148	44.6	3168	27.9	5748	32.0				
PREBINDERS	307	0.7	2	0.0	0	0.0				
LIBRARIES & INSTITUTIONS (TOTAL)	1421	3.1	212	1.9	828	4.6				
PUBLIC LIBRARIES	375	1.1	21	0.3	302	2.1				
COLLEGES & UNIVS.	208	0.6	70	0.9	302	2.1				
SCHOOLS	411	1.2	38	0.5	17	0.1				
OTHER	98	0.3	19	0.2	36	0.3				
UNSPECIFIED	329		64		171					
MASS MARKET OUTLETS	170	0.4	668	5.9	684	3.8				
SPECIAL SALES	2798	6.2	642	5.6	706	3.9				
DIRECT TO CONSUMER	207	0.5	28	0.2	554	3.1				
UNSPECIFIED	0		0		0					
TOTAL	45152	100.0	11367	100.0	17966	100.0				

In **Table A3**, as in other succeeding tables the data appearing in the column headed "All Sales" does **not** represent a total of the items shown horizontally in the remaining columns. Some reporting publishers have provided breakdowns of sales by product, summarized in the detail columns, others have not. However, all sales reported, whether detailed in other columns or not, are included in the "All Sales" column.

The "percentage of total" shown represents the portion of sales in a product category marketed to the customer type listed in the stub.

TABLE A4 - NET TRADE BOOK SALES BY GEOGRAPHICAL LOCATION

THOUSANDS OF DOLLARS - AS REPORTED BY 20 PUBLISHERS

	ALL SALES		ADULT HARDBOUND		ADULT PAPERBOUND		YOUR DATA			
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL				
UNITED STATES	576432	96.2	292908	96.4	140695	96.2				
CANADA	12686	2.1	5586	1.8	2648	1.8				
FOREIGN (TOTAL)	10335	1.7	5229	1.7	2903	2.0				
LATIN AMERICA	124	0.1	110	0.1	11	0.0				
AUSTRALIA & N.ZEALAND	209	0.1	90	0.1	81	0.3				
ASIA	408	0.3	293	0.3	92	0.4				
UNITED KINGDOM	610	0.4	449	0.4	116	0.5				
CONTINENTAL EUROPE	1022	0.7	801	0.8	197	0.8				
AFRICA, NEAR & MIDDLE EAST	85	0.1	65	0.1	7	0.0				
UNSPECIFIED	7878		3421		2399					
TOTAL	599454	100.0	303723	100.0	146246	100.0				

	JUVENILE HARDBOUND		JUVENILE PAPERBOUND		RELIGIOUS		YOUR DATA			
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL				
UNITED STATES	91715	95.8	25197	95.9	17955	97.8				
CANADA	2865	3.0	775	3.0	275	1.5				
FOREIGN (TOTAL)	1179	1.2	296	1.1	128	0.7				
LATIN AMERICA					3	0.0				
AUSTRALIA & N.ZEALAND					29	0.2				
ASIA					17	0.1				
UNITED KINGDOM					45	0.2				
CONTINENTAL EUROPE					22	0.1				
AFRICA, NEAR & MIDDLE EAST					12	0.1				
- UNSPECIFIED					0					
TOTAL	95759	100.0	26268	100.0	18358	100.0				

Note that the detail data of "Foreign-Juvenile" have been suppressed due to lack of sufficient reports.

TABLE A5 - OPERATING DATA OF TRADE BOOK PUBLISHERS-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS

	ALL PUBLISHERS			YOUR DATA			
	$	PERCENT OF NET SALES					
		AVERAGE	MID-RANGE				
GROSS SALES	718043	125.1	119.7 TO 132.6				
RETURNS AND ALLOWANCES	144063	25.1	19.7 TO 32.6				
NET SALES	573980	100.0	100.0 TO 100.0				
COST OF SALES							
MANUFACTURING	215878	37.6	33.2 TO 39.6				
ROYALTIES	106491	18.6	9.9 TO 21.6				
TOTAL COST OF SALES	322369	56.2	49.5 TO 60.3				
GROSS MARGIN ON SALES	251612	43.8	39.7 TO 50.5				
OTHER INCOME	61289	10.7	2.7 TO 13.9				
OPERATING EXPENSE							
EDITORIAL	39028	6.8	4.7 TO 8.0				
PRODUCTION	13210	2.3	1.8 TO 2.9				
MARKETING	96280	16.8	14.3 TO 19.3				
FULFILLMENT	56621	9.9	7.7 TO 12.7				
GENERAL & ADMIN.	64181	11.2	9.4 TO 13.8				
TOTAL OPERATING EXPENSE	269320	46.9	43.1 TO 55.3				
NET INCOME FROM OPERATIONS*	43580	7.6	-0.8 TO 12.1				

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

Continued on page A-10

OPERATING DATA

Operating data of Trade and Religious Publishers are reported in two sections. The first section, **Tables A5 through A14,** provides some breakdown by type of book; the second section, **Tables A15 through A24,** analyzes the data by size of publisher.

Tables A5 and A15 are summary tables, offering composite income statements of the reporting publishers. The remaining tables detail specific expense areas.

Publishers, while asked to provide sales data on a calendar year basis, were given the option to furnish operating information on a fiscal year basis. One publisher did not indicate its year, and 5 publishers exercised the fiscal year option. The months terminating their reporting year are listed below, together with the number of publishers for each period:

March - 2
April - 1
October - 1
November - 1

In **Tables A5 through A14,** the column headed "All Publishers" does **not** represent a total of the items shown horizontally in the remaining columns. Some reporting publishers have provided breakdowns of operating data by product line, summarized in the detail columns, while others have not. However, all data reported, whether detailed in other columns or not, are included in the "All Publishers" column.

TABLE A5 - OPERATING DATA OF TRADE BOOK PUBLISHERS-BY TYPE OF BOOK

Continued from page A-9

	ADULT HARDBOUND			ADULT PAPERBOUND		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE
GROSS SALES	286994	131.5	125.5 TO 138.0	146472	125.1	118.9 TO 130.6
RETURNS AND ALLOWANCES	68821	31.5	25.5 TO 38.0	29406	25.1	18.9 TO 30.6
NET SALES	218173	100.0	100.0 TO 100.0	117066	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	78245	35.9	32.1 TO 38.7	41601	35.5	31.2 TO 37.6
ROYALTIES	53889	24.7	17.5 TO 29.6	17110	14.6	9.0 TO 16.6
TOTAL COST OF SALES	132134	60.6	54.7 TO 65.6	58711	50.2	41.7 TO 55.9
GROSS MARGIN ON SALES	86039	39.4	34.4 TO 45.3	58355	49.8	44.1 TO 58.3
OTHER INCOME	34243	15.7	7.3 TO 20.9	6148	5.3	0.5 TO 9.3
OPERATING EXPENSE						
EDITORIAL	17562	8.0	6.4 TO 11.6	7043	6.0	3.1 TO 8.8
PRODUCTION	5753	2.6	1.9 TO 4.1	3039	2.6	1.8 TO 3.0
MARKETING	43504	19.9	16.0 TO 29.1	20486	17.5	12.9 TO 25.1
FULFILLMENT	22423	10.3	8.1 TO 14.5	12216	10.4	8.5 TO 16.0
GENERAL & ADMIN.	22478	10.3	9.3 TO 16.4	13415	11.5	9.7 TO 14.8
TOTAL OPERATING EXPENSE	111720	51.2	47.7 TO 67.3	56199	48.0	37.5 TO 58.6
NET INCOME FROM OPERATIONS*	8562	3.9	-2.4 TO 7.6	8304	7.1	-2.8 TO 14.1

	JUVENILE			RELIGIOUS		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE
GROSS SALES	132227	112.0	108.4 TO 113.8	23264	113.1	107.9 TO 116.3
RETURNS AND ALLOWANCES	14212	12.0	8.4 TO 13.8	2703	13.1	7.9 TO 16.3
NET SALES	118015	100.0	100.0 TO 100.0	20561	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	48406	41.0	34.6 TO 47.9	7881	38.3	32.4 TO 46.8
ROYALTIES	15465	13.1	12.9 TO 18.0	2536	12.3	5.0 TO 17.9
TOTAL COST OF SALES	63871	54.1	50.8 TO 63.2	10417	50.7	44.0 TO 62.4
GROSS MARGIN ON SALES	54144	45.9	36.8 TO 49.2	10144	49.3	37.6 TO 56.0
OTHER INCOME	9746	8.3	3.1 TO 5.7	555	2.7	0.8 TO 5.8
OPERATING EXPENSE						
EDITORIAL	5754	4.9	4.2 TO 6.8	1038	5.0	2.9 TO 9.0
PRODUCTION	2138	1.8	1.5 TO 3.6	490	2.4	1.5 TO 3.2
MARKETING	14181	12.0	9.3 TO 16.2	3759	18.3	13.8 TO 25.6
FULFILLMENT	11667	9.9	7.8 TO 14.8	2485	12.1	9.5 TO 14.6
GENERAL & ADMIN.	15449	13.1	8.7 TO 15.7	2462	12.0	7.5 TO 15.2
TOTAL OPERATING EXPENSE	49188	41.7	30.2 TO 46.9	10235	49.8	37.0 TO 63.4
NET INCOME FROM OPERATIONS*	14701	12.5	-14.9 TO 20.4	465	2.3	-16.6 TO 17.4

TABLE A6 - MANUFACTURING EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 16 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $512,034,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
BEGINNING INVENTORY	112183	21.9	35564	19.5	21729	20.4	29319	26.6	2845	22.9
PURCHASES (TOTAL)	219066	42.8	75030	41.1	41763	39.2	50957	46.2	5349	43.0
PLANT COSTS	26821	5.2	11063	6.1	5022	4.7	4391	4.0	637	5.1
PAPER, PRINTING & BINDING	192244	37.5	63966	35.0	36741	34.5	46566	42.2	4712	37.9
COST OF FREE BOOKS	3705	0.7	1495	0.8	748	0.7	776	0.7	63	0.5
WRITE DOWNS	25401	5.0	6896	3.8	3924	3.7	11738	10.6	159	1.3
ENDING INVENTORY AFTER WRITE DOWNS	135572	26.5	42724	23.4	26350	24.7	34654	31.4	3516	28.3
TOTAL MANUFACTURING EXP.	191972	37.5	66375	36.4	36394	34.2	44846	40.6	4615	37.1

The composite manufacturing cost figure in **Table A6** includes data that reflect varying treatments of plant costs. Since a levelling effect takes place when the data are consolidated, the possibility of distortion is minimized Nevertheless, a publisher who compares his own data with those in the survey should bear in mind that the inventory and purchase figures shown represent a mix that includes plant costs being written off, plant costs being amortized, and plant costs that have been inventoried.

To place the survey data in perspective, the practices of **some** of the participating publishers are shown below:

Written off as incurred - 3
Written off on publication - 6
Written off during year of publication - 1
Written into inventory - 2

Amortized over 1 year - 1
Amortized over 4 years - 1
Amortized over 5 years - 3

Plant costs expensed as incurred, plate costs amortized 2 months after publication - 1

TABLE A7 - ROYALTY EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 15 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $512,463,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ROYALTIES PAID	81782	16.0	41026	20.7	11908	12.7	12867	12.3	2200	14.1
FEES IN LIEU OF ROYALTIES	246	0.0	112	0.1	39	0.0	2	0.0	0	0.0
ADVANCES WRITTEN OFF	16790	3.3	9920	5.0	2133	2.3	928	0.9	192	1.2
TOTAL ROYALTIES	98818	19.3	51059	25.8	14079	15.0	13797	13.2	2393	15.4

In **Table A7** in addition to providing operating data on royalties, publishers were asked to report the level of royalty advances carried on their balance sheets at reporting year end. A total of 16 publishers with combined net sales of $482.6 million responded, reporting a total aggregate advance of $100.0 million (20.7% of net sales). 12 publishers with **adult hardbound** net sales of $175.8 million reported advances of $58.0 million (33.0% of net sales); 10 publishers with **adult paperbound** net sales of $90.3 million reported advances of $14.6 million (16.2% of net sales); and 11 publishers with **juvenile** net sales of $111.6 million reported advances of $7.6 million (6.8% of net sales), all at reporting year end. Replies by religious book publishers were insufficient to report here.

TABLE A8 - OTHER PUBLISHING INCOME-BY TYPE OF BOOK

THOUSANDS OF DOLLARS

	9 PUBLISHERS WITH NET SALES OF $319,957,000					
	TOTAL INCOME		AUTHORS' SHARE		PUBL. SHARE	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SUBSIDIARY RIGHTS (TOTL)	65240	20.4	35767	11.2	29474	9.2
REPRINT - HARDBOUND	2236	0.7	1310	0.4	926	0.3
REPRINT - PAPERBOUND	28974	9.1	16070	5.0	12903	4.0
BOOK CLUB	16264	5.1	8184	2.6	8080	2.5
PERMISSIONS	697	0.2	358	0.1	339	0.1
FOREIGN & TRANSLATION	6255	2.0	4424	1.4	1831	0.6
SERIAL, DIGEST & SYNDICATION	735	0.2	407	0.1	328	0.1
OTHER	10080	3.2	5014	1.6	5066	1.6
GENERAL	8495	2.7	182	0.1	8313	2.6
TOTAL OTHER INCOME	73735	23.0	35948	11.2	37787	11.8

9 PUBLISHERS WITH NET SALES OF $319,957,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SUBSIDIARY RIGHTS (TOTL)	65240	20.4	45911	29.5	4713	15.9	11398	15.0		
REPRINT - HARDBOUND	2236	0.7	2066	1.3	69	0.2	98	0.1		
REPRINT - PAPERBOUND	28974	9.1	24292	15.6	1832	6.2	1325	1.7		
BOOK CLUB	16264	5.1	10052	6.5	1344	4.5	3956	5.2		
PERMISSIONS	697	0.2	531	0.3	22	0.1	79	0.1		
FOREIGN & TRANSLATION	6255	2.0	3601	2.3	1053	3.6	1088	1.4		
SERIAL, DIGEST & SYNDICATION	735	0.2	563	0.4	65	0.2	16	0.0		
OTHER	10080	3.2	4806	3.1	328	1.1	4837	6.4		
GENERAL	8495	2.7	6543	4.2	196	0.7	520	0.7		
TOTAL OTHER PUBL. INCOME	73735	23.0	52454	33.7	4909	16.6	11918	15.7		
AUTHORS' SHARE	32241	10.1	24003	15.4	2475	8.4	4115	5.4		
PUBLISHER'S SHARE	41494	13.0	28451	18.3	2434	8.2	7803	10.3		

Data for the "Religious" category have been suppressed to prevent disclosure.

In **Table A8**, publishers are asked to report **all** subsidiary income and to show authors' shares and publishers' shares separately. As some respondents are unable to comply with some details of this request, data are reported here in two ways: in the upper section data are summarized **by type of income** for 9 publishers who are able to separate authors' shares from their own. In the lower section data are summarized **by type of book** for 9 publishers reporting both authors' shares and their own. Data for publishers who could report only their own shares had to be suppressed this year to avoid disclosure.

TABLE A9 - EDITORIAL EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 16 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $489,114,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
EDITORIAL EXPENSE										
SALARIES	18350	3.8	9268	4.6	3542	3.4	2772	2.9	589	2.9
BENEFITS	3364	0.7	1721	0.9	697	0.7	532	0.6	141	0.7
OUTSIDE EDITORIAL EXP	3240	0.7	1849	0.9	773	0.7	396	0.4	98	0.5
TRAVEL & ENTERTAINMNT	2167	0.4	1081	0.5	567	0.5	178	0.2	73	0.4
OTHER	4757	1.0	2669	1.3	1050	1.0	803	0.9	137	0.7
TOTAL EDITORIAL EXPENSE	31878	6.5	16587	8.2	6629	6.4	4681	5.0	1038	5.0

TABLE A10 - PRODUCTION EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 16 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $489,114,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PRODUCTION EXPENSE										
SALARIES	6846	1.4	3270	1.6	1459	1.3	918	1.0	303	1.5
BENEFITS	1317	0.3	586	0.3	276	0.3	182	0.2	75	0.4
OUTSIDE PRODUCT'N EXP	516	0.1	209	0.1	65	0.1	8	0.0	54	0.3
OTHER	3467	0.7	1407	0.7	1051	1.0	788	0.8	57	0.3
TOTAL PRODUCTION EXPENSE	12146	2.5	5472	2.7	2851	2.6	1896	2.0	490	2.4

TABLE A11 - MARKETING EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 15 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $471,751,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SELLING EXPENSE										
SALESMEN'S SALARIES & COMMISSIONS	12049	2.6	5309	2.7	2816	2.7	1917	2.0	405	2.0
SALESMEN'S BENEFITS	1676	0.4	750	0.4	474	0.5	337	0.4	70	0.3
SALESMAN'S TRAVEL & ENTERTAINMENT	3688	0.8	1691	0.9	900	0.9	721	0.8	165	0.8
DEPARTMENTAL SALARIES	5006	1.1	2269	1.2	999	1.0	570	0.6	330	1.6
DEPARTMENTAL BENEFITS	972	0.2	446	0.2	199	0.2	114	0.1	66	0.3
DEPARTMENTAL TRAVEL & ENTERTAINMENT	1209	0.3	552	0.3	248	0.2	183	0.2	75	0.4
OTHER	6475	1.4	3259	1.7	1405	1.4	1114	1.2	336	1.6
TOTAL SELLING EXPENSE	31075	6.6	14277	7.4	7041	6.9	4956	5.2	1447	7.0

Continued on page A-14

TABLE A11 - MARKETING EXPENSE-BY TYPE OF BOOK

Continued from page A-13

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PROMOTION										
DEPARTMENTAL SALARIES	5024	1.1	2416	1.2	990	1.0	666	0.7	407	2.0
BENEFITS	947	0.2	471	0.2	184	0.2	126	0.1	93	0.5
SPACE ADVERTISING	18986	4.0	10700	5.5	3361	3.3	2032	2.1	688	3.3
CATALOGS AND TRADE ADVERTISING	3585	0.8	1366	0.7	900	0.9	654	0.7	295	1.4
DIRECT MAIL	1461	0.3	581	0.3	234	0.2	90	0.1	43	0.2
PUBLICITY	5239	1.1	2596	1.3	1091	1.1	898	0.9	66	0.3
FREE COPIES (INCLUDING POSTAGE)	3702	0.8	1742	1.0	781	0.8	517	0.5	83	0.4
EXHIBITS	1558	0.3	644	0.3	368	0.4	323	0.3	34	0.2
OTHER	6507	1.4	3485	1.8	1465	1.4	512	0.5	604	2.9
TOTAL PROMOTION EXPENSE	47008	10.0	24001	12.4	9374	9.1	5817	6.1	2313	11.3
TOTAL MARKETING EXPENSE	78083	16.6	38278	19.7	16415	16.0	10773	11.4	3760	18.3

TABLE A12 - FULFILLMENT EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS

10 PUBLISHERS WITH NET SALES OF $385,232,000 -- INTERNAL FACILITIES	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ORDER PROCESSING										
SALARIES	6477	1.7	3200	1.8	1580	1.8	1048	1.2	306	1.9
BENEFITS	1385	0.4	657	0.4	337	0.4	238	0.3	57	0.3
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	3647	0.9	1742	1.0	810	0.9	697	0.8	54	0.3
EQUIPMENT & SUPPLIES	1432	0.4	727	0.4	318	0.4	214	0.2	97	0.6
TOTAL ORDER PROCESSING	12941	3.4	6326	3.5	3045	3.4	2197	2.5	514	3.1
SHIPPING & WAREHOUSING										
SALARIES	12142	3.2	5346	3.0	2992	3.4	2770	3.2	655	4.0
BENEFITS	2441	0.6	1087	0.6	524	0.6	580	0.7	152	0.9
OCCUPANCY	4813	1.2	2242	1.3	1067	1.2	1208	1.4	174	1.1
EQUIPMENT & SUPPLIES	3205	0.8	1523	0.9	745	0.8	715	0.8	191	1.2
TRANSPORTATION CHRGES	4458	1.2	2274	1.3	1091	1.2	832	1.0	234	1.4
TOTAL SHIPPING AND WAREHOUSING	27058	7.0	12471	7.0	6419	7.2	6105	7.0	1406	8.5
TOTAL FULFILLMENT EXP. OF PUBLISHERS UTILIZING INTERNAL FACILITIES	39999	10.4	18797	10.5	9464	10.7	8302	9.5	1921	11.6

TABLE A13 - GENERAL AND ADMINISTRATIVE EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 13 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $418,825,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
MANAGEMENT SALARIES	4761	1.1	1857	1.1	1154	1.3	681	0.8	348	1.7
MANAGEMENT BENEFITS	1588	0.4	672	0.4	326	0.4	434	0.5	59	0.3
ACCOUNTING SALARIES	4926	1.2	1672	1.0	851	0.9	1068	1.3	302	1.5
ACCOUNTING BENEFITS	2170	0.5	893	0.5	391	0.4	650	0.8	90	0.4
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	4594	1.1	1685	1.0	1075	1.2	1188	1.4	226	1.1
GENERAL OFFICE BENEFITS	2286	0.5	791	0.5	400	0.4	541	0.7	58	0.3
GENERAL TRAVEL AND ENTERTAINMENT	730	0.2	267	0.2	168	0.2	167	0.2	55	0.3
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	2777	0.7	1078	0.7	507	0.6	668	0.8	171	0.8
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	6975	1.7	2705	1.6	1316	1.4	1598	1.9	461	2.2
OTHER TAXES (EXCEPT INC. & PAYROLL TAXES)	677	0.2	244	0.1	117	0.1	161	0.2	11	0.1
PERSONAL PROP. TAXES	336	0.1	118	0.1	64	0.1	84	0.1	2	0.0
ALL OTHER	338	0.1	127	0.1	54	0.1	77	0.1	10	0.0
UNSPECIFIED	3		0		0		0		0	
OTHER	16685	4.0	3697	2.2	4022	4.4	4474	5.4	676	3.3
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	48169	11.5	15561	9.5	10328	11.2	11631	14.1	2459	12.0

TABLE A14 - SUMMARY OF EMPLOYEE BENEFITS EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 13 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $432,237,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PENSIONS	2201	0.5	754	0.5	391	0.6	176	0.2	320	1.6
DEFERRED PROFIT SHARING	1598	0.4	794	0.5	301	0.4	491	0.6	11	0.1
HOSP. & GROUP INSURANCE	5312	1.2	2072	1.4	819	1.2	939	1.2	212	1.0
PAYROLL TAXES	5890	1.4	2450	1.7	1077	1.5	1046	1.4	311	1.5
OTHER	650	0.2	322	0.2	119	0.2	157	0.2	32	0.2
TOTAL EMPLOYEE BENEFITS	15651	3.6	6393	4.4	2707	3.8	2809	3.7	886	4.3

TABLE A15 - OPERATING DATA OF TRADE BOOK PUBLISHERS-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS

	ALL PUBLISHERS			7 PUBLISHERS WITH NET SALES UNDER $15 MILLION		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE
GROSS SALES	718043	125.1	119.7 TO 132.6	83506	128.2	113.8 TO 136.8
RETURNS AND ALLOWANCES	144063	25.1	19.7 TO 32.6	18393	28.2	13.8 TO 36.8
NET SALES	573980	100.0	100.0 TO 100.0	65113	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	215878	37.6	33.2 TO 39.6	23482	36.1	30.3 TO 41.6
ROYALTIES	106491	18.6	9.9 TO 21.6	9995	15.4	9.5 TO 20.7
TOTAL COST OF SALES	322369	56.2	49.5 TO 60.3	33477	51.4	45.0 TO 55.1
GROSS MARGIN ON SALES	251612	43.8	39.7 TO 50.5	31637	48.6	44.9 TO 55.0
OTHER INCOME	61289	10.7	2.7 TO 13.9	6521	10.0	1.5 TO 15.1
OPERATING EXPENSE						
EDITORIAL	39028	6.8	4.7 TO 8.0	5290	8.1	6.0 TO 12.3
PRODUCTION	13210	2.3	1.8 TO 2.9	1684	2.6	1.7 TO 3.8
MARKETING	96280	16.8	14.3 TO 19.3	12461	19.1	17.6 TO 20.8
FULFILLMENT	56621	9.9	7.7 TO 12.7	7486	11.5	9.7 TO 17.9
GENERAL & ADMIN.	64181	11.2	9.4 TO 13.8	7697	11.8	9.2 TO 14.3
TOTAL OPERATING EXPENSE	269320	46.9	43.1 TO 55.3	34618	53.2	45.1 TO 65.4
NET INCOME FROM OPERATIONS*	43580	7.6	-0.8 TO 12.1	3539	5.4	-7.7 TO 11.0

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

Continued on page A-17

TABLE A15 - OPERATING DATA OF TRADE BOOK PUBLISHERS-BY SIZE OF PUBLISHER

Continued from page A-16

	6 PUBLISHERS WITH NET SALES $15 TO $35 MILLION			6 PUBLISHERS WITH NET SALES ABOVE $35 MILLION		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE
GROSS SALES	174736	121.4	117.3 TO 125.1	459801	126.0	121.8 TO 132.7
RETURNS AND ALLOWANCES	30832	21.4	17.3 TO 25.1	94838	26.0	21.8 TO 32.7
NET SALES	143904	100.0	100.0 TO 100.0	364963	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	54815	38.1	34.8 TO 41.0	137581	37.7	34.7 TO 40.4
ROYALTIES	22014	15.3	8.2 TO 19.9	74482	20.4	18.1 TO 24.4
TOTAL COST OF SALES	76829	53.4	49.3 TO 56.6	212063	58.1	55.5 TO 63.1
GROSS MARGIN ON SALES	67075	46.6	43.4 TO 50.7	152900	41.9	36.9 TO 44.5
OTHER INCOME	8515	5.9	1.7 TO 8.2	46253	12.7	9.2 TO 15.2
OPERATING EXPENSE						
EDITORIAL	8343	5.8	3.9 TO 7.5	25395	7.0	4.6 TO 8.9
PRODUCTION	4164	2.9	1.4 TO 4.1	7362	2.0	1.6 TO 2.6
MARKETING	23487	16.3	11.4 TO 21.9	60332	16.5	13.7 TO 18.7
FULFILLMENT	10794	7.5	6.4 TO 8.6	38341	10.5	8.9 TO 12.9
GENERAL & ADMIN.	17661	12.3	10.5 TO 14.4	38823	10.6	5.0 TO 13.0
TOTAL OPERATING EXPENSE	64449	44.8	37.3 TO 52.3	170253	46.6	40.9 TO 49.8
NET INCOME FROM OPERATIONS*	11141	7.7	2.0 TO 11.8	28900	7.9	7.6 TO 12.7

TABLE A16 - MANUFACTURING EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 16 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $512,034,000

	ALL PUBLISHERS		5 PUBLISHERS NET SALES UNDER $15 MILLION		6 PUBLISHERS NET SALES $15-$35 MILLION		5 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
BEGINNING INVENTORY	112183	21.9	13978	25.0	31836	22.1	66369	21.3
PURCHASES (TOTAL)	219066	42.8	22314	39.9	62587	43.5	134165	43.0
PLANT COSTS	26821	5.2	4134	7.4	6444	4.5	16243	5.2
PAPER, PRINTING & BINDING	192244	37.5	18180	32.5	56143	39.0	117921	37.8
COST OF FREE BOOKS	3705	0.7	549	1.0	1078	0.7	2077	0.7
WRITE DOWNS	25401	5.0	1028	1.8	2767	1.9	21606	6.9
ENDING INVENTORY AFTER WRITE DOWNS	135572	26.5	16151	28.9	38530	26.8	80891	25.9
TOTAL MANUFACTURING EXP.	191972	37.5	19592	35.0	54815	38.1	117565	37.7

See also the discussion following **Table A-6.**

TABLE A17 - ROYALTY EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 15 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $512,463,000

	ALL PUBLISHERS		5 PUBLISHERS NET SALES UNDER $15 MILLION		4 PUBLISHERS NET SALES $15-$35 MILLION		6 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ROYALTIES PAID	81782	16.0	7162	15.3	13490	13.4	61130	16.7
FEES IN LIEU OF ROYALTIES	246	0.0	0	0.0	246	0.2	0	0.0
ADVANCES WRITTEN OFF	16790	3.3	1354	2.9	2084	2.1	13352	3.7
TOTAL ROYALTIES	98818	19.3	8516	18.2	15820	15.7	74482	20.4

See also the discussion following **Table A-7.**

TABLE A18 - OTHER PUBLISHING INCOME-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 9 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $319,957,000

	ALL PUBLISHERS		3 PUBLISHERS NET SALES UNDER $15 MILLION		3 PUBLISHERS NET SALES $15-$35 MILLION		3 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SUBSIDIARY RIGHTS (TOTL)	65240	20.4	5245	18.2	11705	15.4	48291	22.5
REPRINT - HARDBOUND	2236	0.7	1793	6.2	90	0.1	353	0.2
REPRINT - PAPERBOUND	28974	9.1	990	3.4	7278	9.6	20705	9.6
BOOK CLUB	16264	5.1	1359	4.7	2711	3.6	12194	5.7
PERMISSIONS	697	0.2	57	0.2	259	0.3	382	0.2
FOREIGN & TRANSLATION	6255	2.0	944	3.3	905	1.2	4406	2.0
SERIAL, DIGEST & SYNDICATION	735	0.2	68	0.2	182	0.2	485	0.2
OTHER	10080	3.2	33	0.1	280	0.4	9767	4.5
GENERAL	8495	2.7	1113	3.9	1550	2.0	5832	2.7
TOTAL OTHER PUBL. INCOME	73735	23.0	6358	22.1	13255	17.4	54123	25.2
AUTHORS' SHARE	32241	10.1	2997	10.4	7006	9.2	22238	10.3
PUBLISHER'S SHARE	41494	13.0	3360	11.7	6249	8.2	31885	14.8

TABLE A19 - EDITORIAL EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 16 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $489,114,000

	ALL PUBLISHERS		6 PUBLISHERS NET SALES UNDER $15 MILLION		6 PUBLISHERS NET SALES $15-$35 MILLION		4 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
EDITORIAL EXPENSE								
SALARIES	18350	3.8	2881	4.8	5232	3.6	10237	3.6
BENEFITS	3364	0.7	664	1.1	581	0.4	2118	0.7
OUTSIDE EDITORIAL EXP	3240	0.7	256	0.4	1313	0.9	1671	0.6
TRAVEL & ENTERTAINMNT	2167	0.4	499	0.8	718	0.5	951	0.3
OTHER	4757	1.0	388	0.6	497	0.3	3872	1.4
TOTAL EDITORIAL EXPENSE	31878	6.5	4688	7.8	8341	5.8	18849	6.6

TABLE A20 - PRODUCTION EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 16 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $489,114,000

	ALL PUBLISHERS		6 PUBLISHERS NET SALES UNDER $15 MILLION		6 PUBLISHERS NET SALES $15-$35 MILLION		4 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PRODUCTION EXPENSE								
SALARIES	6846	1.4	1135	1.9	1972	1.4	3739	1.3
BENEFITS	1317	0.3	282	0.5	246	0.2	789	0.3
OUTSIDE PRODUCT'N EXP	516	0.1	98	0.2	104	0.1	314	0.1
OTHER	3467	0.7	169	0.3	1841	1.3	1457	0.5
TOTAL PRODUCTION EXPENSE	12146	2.5	1684	2.8	4163	2.9	6298	2.2

TABLE A21 - MARKETING EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 15 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $471,751,000

	ALL PUBLISHERS		6 PUBLISHERS NET SALES UNDER $15 MILLION		5 PUBLISHERS NET SALES $15-$35 MILLION		4 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SELLING EXPENSE								
SALESMEN'S SALARIES & COMMISSIONS	12049	2.6	2620	4.4	3218	2.5	6210	2.2
SALESMEN'S BENEFITS	1676	0.4	272	0.5	277	0.2	1126	0.4
SALESMEN'S TRAVEL & ENTERTAINMENT	3688	0.8	561	0.9	1015	0.8	2112	0.7
DEPARTMENTAL SALARIES	5006	1.1	675	1.1	1076	0.8	3256	1.1
DEPARTMENTAL BENEFITS	972	0.2	162	0.3	145	0.1	665	0.2
DEPARTMENTAL TRAVEL & ENTERTAINMENT	1209	0.3	90	0.1	138	0.1	982	0.3
OTHER	6475	1.4	556	0.9	1424	1.1	4495	1.6
TOTAL SELLING EXPENSE	31075	6.6	4937	8.2	7292	5.8	18846	6.6
PROMOTION								
DEPARTMENTAL SALARIES	5024	1.1	986	1.6	909	0.7	3129	1.1
BENEFITS	947	0.2	260	0.4	94	0.1	593	0.2
SPACE ADVERTISING	18986	4.0	2377	3.9	4782	3.8	11827	4.1
CATALOGS AND TRADE ADVERTISING	3585	0.8	485	0.8	1251	1.0	1849	0.6
DIRECT MAIL	1461	0.3	156	0.3	556	0.4	750	0.3
PUBLICITY	5239	1.1	613	1.0	864	0.7	3762	1.3
FREE COPIES (INCLUDING POSTAGE)	3702	0.8	572	1.0	874	0.7	2255	0.8
EXHIBITS	1558	0.3	172	0.3	630	0.5	756	0.3
OTHER	6507	1.4	1185	2.0	503	0.4	4818	1.7
TOTAL PROMOTION EXPENSE	47008	10.0	6805	11.3	10463	8.3	29740	10.4
TOTAL MARKETING EXPENSE	78083	16.6	11742	19.5	17756	14.0	48586	17.0

TABLE A22 - FULFILLMENT EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS

10 PUBLISHERS WITH NET SALES OF $385,232,000 USING INTERNAL FACILITIES	ALL PUBLISHERS		4 PUBLISHERS NET SALES UNDER $15 MILLION		2 PUBLISHERS NET SALES $15-$35 MILLION		4 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ORDER PROCESSING								
SALARIES	6477	1.7	1151	2.5			4590	1.6
BENEFITS	1385	0.4	263	0.6			1018	0.4
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	3647	0.9	989	2.2			2082	0.7
EQUIPMENT & SUPPLIES	1432	0.4	153	0.3			1216	0.4
TOTAL ORDER PROCESSING	12941	3.4	2556	5.6			8905	3.1
SHIPPING & WAREHOUSING								
SALARIES	12142	3.2	1167	2.6			9816	3.4
BENEFITS	2441	0.6	273	0.6			2002	0.7
OCCUPANCY	4813	1.2	373	0.8			3848	1.4
EQUIPMENT & SUPPLIES	3205	0.8	248	0.5			2595	0.9
TRANSPORTATION CHRGES	4458	1.2	173	0.4			4080	1.4
TOTAL SHIPPING AND WAREHOUSING	27058	7.0	2234	4.9			22342	7.8
TOTAL FULFILLMENT EXP. OF PUBLISHERS UTILIZING INTERNAL FACILITIES	39999	10.4	4790	10.6			31247	11.0

Data for the "$15-$35 Million" category have been suppressed to prevent disclosure.

TABLE A23 - GENERAL AND ADMINISTRATIVE EXPENSE-BY SIZE OF PUBLISHER

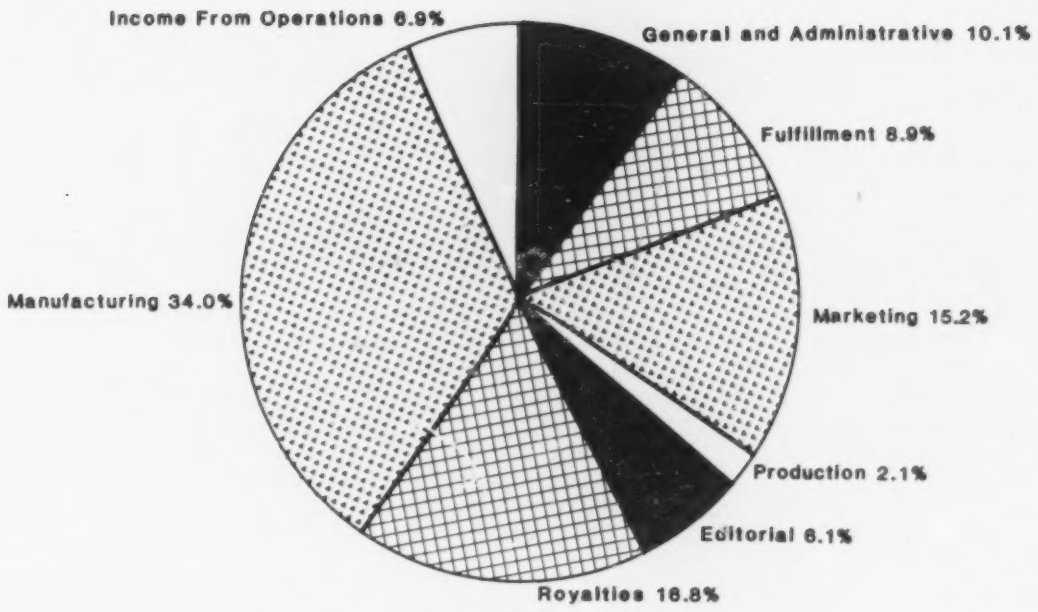
THOUSANDS OF DOLLARS - AS REPORTED BY 13 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $418,825,000

	ALL PUBLISHERS		6 PUBLISHERS NET SALES UNDER $15 MILLION		3 PUBLISHERS NET SALES $15-$35 MILLION		4 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
MANAGEMENT SALARIES	4761	1.1	1103	1.8	766	1.0	2891	1.0
MANAGEMENT BENEFITS	1588	0.4	214	0.4	102	0.1	1273	0.4
ACCOUNTING SALARIES	4926	1.2	768	1.3	855	1.2	3304	1.2
ACCOUNTING BENEFITS	2170	0.5	177	0.3	90	0.1	1903	0.7
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	4594	1.1	589	1.0	662	0.9	3343	1.2
GENERAL OFFICE BENEFITS	2286	0.5	122	0.2	549	0.7	1615	0.6
GENERAL TRAVEL AND ENTERTAINMENT	730	0.2	151	0.3	48	0.1	531	0.2
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	2777	0.7	327	0.5	317	0.4	2134	0.7
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	6975	1.7	1171	1.9	1308	1.8	4495	1.6
OTHER TAXES (EXCEPT INC. & PAYROLL TAXES)	677	0.2	66	0.1	161	0.2	450	0.2
PERSONAL PROP. TAXES	336	0.1	30	0.1	80	0.1	226	0.1
ALL OTHER	338	0.1	32	0.1	82	0.1	224	0.1
UNSPECIFIED	3		3		0		0	
OTHER	16685	4.0	2464	4.1	4528	6.2	9693	3.4
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	48169	11.5	7152	11.9	9386	12.7	31631	11.1

TABLE A24 - SUMMARY OF EMPLOYEE BENEFITS EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 13 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $432,237,000

	ALL PUBLISHERS		5 PUBLISHERS NET SALES UNDER $15 MILLION		4 PUBLISHERS NET SALES $15-$35 MILLION		4 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PENSIONS	2201	0.5	646	1.4	559	0.6	997	0.3
DEFERRED PROFIT SHARING	1598	0.4	208	0.4	0	0.0	1390	0.5
HOSP. & GROUP INSURANCE	5312	1.2	505	1.1	1106	1.1	3701	1.3
PAYROLL TAXES	5890	1.4	797	1.7	951	0.9	4143	1.5
OTHER	650	0.2	10	0.0	115	0.1	525	0.2
TOTAL EMPLOYEE BENEFITS	15651	3.6	2165	4.7	2731	2.7	10755	3.8



Based on data reported in Table A5

Income (100%) Equals Net Sales (90.4%) plus Other Income (9.6%)

FIGURE A2 - 1984 DISPOSITION OF INCOME BY TRADE AND RELIGIOUS BOOK PUBLISHERS

TABLE A25 - EMPLOYEE DATA

AS REPORTED BY 11 TRADE BOOK PUBLISHERS
EMPLOYING 2,428 TOTAL STAFF
(NET SALES PER EMPLOYEE - $114,639)

	PERCENT OF TOTAL	
	AVERAGE	MID-RANGE
EDITORIAL	16.8	14.8 TO 28.0
PRODUCTION	8.7	6.1 TO 13.7
MARKETING (TOTAL)	20.9	13.5 TO 30.6
SALESMEN	6.7	5.2 TO 8.1
SALES DEPARTMENT	7.1	3.5 TO 10.1
PROMOTION	7.1	5.4 TO 12.2
FULFILLMENT (TOTAL)	25.6	16.1 TO 37.4
ORDER PROCESSING	10.6	7.6 TO 16.9
SHIPPING & WAREHOUS'G	15.0	12.3 TO 27.7
ADMINISTRATIVE MANAGEM'T	3.7	2.3 TO 6.3
GENERAL OFFICE	14.3	8.7 TO 19.7
OTHER	10.0	2.4 TO 34.2
EMPLOYEES PER $100,000 SALES	0.9	0.2 TO 1.3

TABLE A26 - BILLINGS AND RECEIVABLES

OF TRADE BOOK PUBLISHERS

	REPLIES	AMOUNT
NET SALES ($000)	12	344026
NUMBER OF INVOICES ANNUALLY (000)	8	2016
AVERAGE INV. VALUE		121.92
NUMBER OF CREDIT MEMOS ANNUALLY (000)	7	210
ACCOUNTS RECEIVABLE (AT YEAR END - $000)	12	156422
PERCENT OF NET SALES		45.5
ACCOUNTS RECE. - AGED TOTAL ($000)	11	137509
PCT. CURRENT		44.4
PCT. 1-30 DAYS		25.1
PCT. 31-60 DAYS		13.4
PCT. 61 DAYS AND OVER		17.1
BAD DEBT RESERVE ($000)	10	4538
PCT. OF NET SALES		1.5
PCT. OF RECEIVABLES		3.2
BAD DEBT LOSSES ($000)	10	1905
PCT. OF NET SALES		0.7
PCT. OF RECEIVABLES		1.5
AVERAGE COLLECTION PERIOD (DAYS)	9	120
RANGE (DAYS)		75-178

TABLE A27 - INVENTORY TURNOVER

OF TRADE BOOK PUBLISHERS

TYPE OF BOOK	REPLIES	NET SALES (000)	INVENTORY TURNOVER
ADULT HARDBOUND	12	179197	1.7
ADULT PAPERBOUND	11	106497	1.5
JUVENILE	11	110683	1.4
RELIGIOUS	3	16460	1.2
BY SIZE OF PUBLISHER			
SALES UP TO $15 MILLION	6	60207	1.2
SALES $15 TO $35 MILLION	6	143904	1.6
SALES $35 MILLION & OVER	5	312229	1.6

In **Table A27** inventory turnover is established by dividing Total Manufacturing Cost by the average of Beginning Inventory and Ending Inventory After Writedowns. For pertinent definitions, refer to pages 3 and 4 of Operating Data Questionnaire Form A. Also please note the text comments on plant costs and plant cost treatment following **Table A6.**

In comparing his own inventory turnover with that reported here, a publisher should bear in mind not only the possible impact of plant cost treatment on inventory values, but also the variations in such values resulting from differing writedown policies. Most writedown practices in the industry must, perforce, be based on the subjective judgement of market values, reflecting varying life expectancies and turnover of product lines and individual titles. A publisher must keep his own sales patterns in mind, therefore, when making the comparison. Despite the levelling effect of pooling the data, a publisher with, for example, a specialized product line may find his turnover differing noticeably and justifiably from the composite figure.

SECTION B - TECHNICAL, SCIENTIFIC, BUSINESS, MEDICAL, AND OTHER PROFESSIONAL BOOK PUBLISHERS AND DIVISIONS

Please refer to the GENERAL INSTRUCTIONS AND DEFINITIONS, and the specific instructions and definitions for this divisional survey in QUESTIONNAIRE FORM B (available on request from the AAP New York Office) to insure the correct interpretation of this report. Furthermore, the methodology used in gathering and reporting data, which is discussed in the INTRODUCTION should be reviewed for a full understanding of the tables and text.

SALES DATA

30 professional publishers reported total net sales of $407.4 million to this 1984 Survey. When this total is compared to that estimated for this segment of the industry in **Table S1**, it appears that some 27.9% of professional book sales are represented in **Table B1a.** Note, however, that these figures exclude the bulk of law book sales which, historically, publishers fail to supply to this Survey.

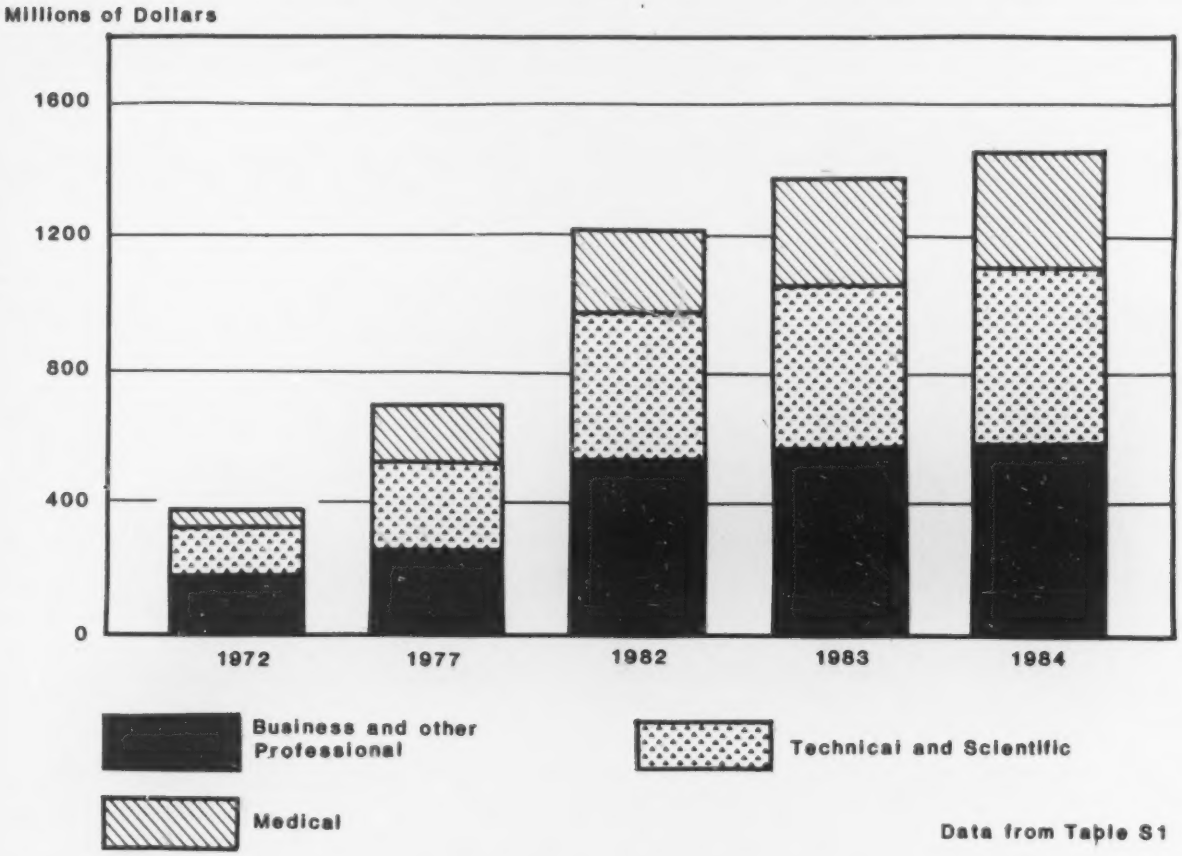
In **Table B1a** below, publishers report sales detail by publishing category for both 1984 and 1983 in dollars. In **Table B1b** data is provided by 28 publishers for similar detail in both dollars and units.

TABLE B1a - SALES OF PROFESSIONAL BOOKS-BY CATEGORY OF PUBLICATION

MILLIONS OF DOLLARS - AS REPORTED BY 30 PUBLISHERS

				PERCENT RETURNS - GROSS	
	GROSS SALES	RETURNS	NET SALES	AVERAGE	MID-RANGE
18 TECH'L & SCIENTIFIC					
1984	143.3	18.0	125.3	12.5	3.7 TO 16.3
1983	140.3	17.3	122.9	12.3	3.0 TO 15.2
PERCENT CHANGE	2.2	3.8	2.0		
15 BUSINESS & OTHER PROF					
1984	102.2	13.4	88.8	13.1	9.2 TO 16.5
1983	102.6	13.7	88.9	13.4	11.2 TO 17.9
PERCENT CHANGE	-0.4	-2.5	-0.1		
22 MEDICAL					
1984	220.2	27.0	193.3	12.2	10.1 TO 13.8
1983	221.9	27.1	194.9	12.2	10.6 TO 15.1
PERCENT CHANGE	-0.8	-0.5	-0.8		
ALL PROFESSIONAL					
1984	465.7	58.3	407.4	12.5	4.0 TO 14.8
1983	464.8	58.1	406.7	12.5	6.1 TO 15.0
PERCENT CHANGE	0.2	0.3	0.2		

FIGURE B1 - ESTIMATED PROFESSIONAL BOOK NET SALES 1972, 1977, 1982-84



Data from Table S1

TABLE B1b - SALES OF PROFESSIONAL BOOKS-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 28 PUBLISHERS

	GROSS SALES									
	1984		1983		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
TECHNICAL & SCIENTIFIC	131505	5565	129360	6926	1.7	-19.7				
BUSINESS & OTHER PROF.	102190	5209	102634	5459	-0.4	-4.6				
MEDICAL	218248	8554	217968	9321	0.1	-8.2				
ALL PROFESSIONAL	451943	19328	449962	21706	0.4	-11.0				

Continued on page B-3

TABLE B1b - SALES OF PROFESSIONAL BOOKS-BY CATEGORY OF PUBLICATION

Continued from page B-2

	RETURNS									
	1984		1983		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
TECHNICAL & SCIENTIFIC	17099	922	16563	902	3.2	2.2				
BUSINESS & OTHER PROF.	13371	736	13711	801	-2.5	-8.1				
MEDICAL	26675	1132	26644	1224	0.1	-7.5				
ALL PROFESSIONAL	57145	2790	56918	2927	0.4	-4.7				

	NET SALES									
	1984		1983		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
TECHNICAL & SCIENTIFIC	114406	4643	112797	6024	1.4	-22.9				
BUSINESS & OTHER PROF.	88819	4473	88923	4658	-0.1	-4.0				
MEDICAL	191573	7422	191324	8097	0.1	-8.3				
ALL PROFESSIONAL	394798	16538	393044	18779	0.4	-11.9				

	1984 PERCENT RETURNS TO GROSS							
	DOLLARS		UNITS		YOUR DATA			
	AVERAGE	MID-RANGE	AVERAGE	MID-RANGE				
TECHNICAL & SCIENTIFIC	13.0	5.3 TO 16.3	16.6	5.7 TO 19.0				
BUSINESS & OTHER PROF.	13.1	9.2 TO 16.5	14.1	9.9 TO 22.2				
MEDICAL	12.2	9.9 TO 14.1	13.2	10.8 TO 14.7				
ALL PROFESSIONAL	12.6	7.3 TO 15.1	14.4	8.5 TO 16.8				

	DOLLARS PER UNIT NET SALES							
	1984		1983		YOUR DATA			
	$-AVG	$-RANGE-AVG	$-AVG	$-RANGE-AVG				
TECHNICAL & SCIENTIFIC	24.64	10.45 TO 44.92	18.72	11.31 TO 39.26				
BUSINESS & OTHER PROF.	19.86	10.32 TO 50.24	19.09	12.12 TO 68.65				
MEDICAL	25.81	13.54 TO 40.95	23.63	9.00 TO 37.27				
ALL PROFESSIONAL	23.87	10.45 TO 50.24	20.93	11.14 TO 68.65				

TABLE B2 - NET SALES OF PROFESSIONAL BOOKS-BY SUBJECT CATEGORY

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 28 PUBLISHERS

	1984					1983				
	DOLLARS		UNITS		AVERAGE DOLLARS	DOLLARS		UNITS		AVERAGE DOLLARS
	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT
TECHNICAL & SCIENTIFIC (TOTAL)	119912	100.0	4439	100.0	27.01	113261	100.0	5039	100.0	22.48
MATHEMATICS, PROBABILITY & STAT.	8672	7.2	248	5.6	34.97	12938	11.4	485	9.6	26.68
COMPUTER SCIENCES	24288	20.3	1352	30.5	17.96	18312	16.2	1636	32.5	11.19
ENGINEERING	24378	20.3	838	18.9	29.09	22049	19.5	834	16.6	26.44
BIOLOGICAL SCIENCES	13460	11.2	426	9.6	31.60	13301	11.7	460	9.1	28.92
PHYSICAL SCIENCES	19160	16.0	347	7.8	55.22	17773	15.7	389	7.7	45.69
EARTH SCIENCES	4542	3.8	91	2.1	49.91	3370	3.0	81	1.6	41.60
SOCIAL SCIENCES (TOTAL)	10866	9.1	551	12.4	19.72	11237	9.9	542	10.8	20.73
ECONOMICS	1782	1.5	86	1.9	20.72	1925	1.7	92	1.8	20.92
PSYCHOLOGY	3028	2.5	154	3.5	19.66	3231	2.9	161	3.2	20.07
OTHER SOCIAL SCI.	6057	5.1	311	7.0	19.48	6081	5.4	289	5.7	21.04
ARCHITECTURE	6835	5.7	244	5.5	28.01	6392	5.6	234	4.6	27.32
OTHER TECH. & SCIENT.	7056	5.9	318	7.2	22.19	7132	6.3	337	6.7	21.16
NOT ALLOCATED	654	0.5	23	0.5	28.43	757	0.7	41	0.8	18.46
BUSINESS & OTHER PROFESSIONAL (TOTAL)	85413	100.0	4367	100.0	19.56	83668	100.0	4319	100.0	19.37
BUSINESS	23238	27.2	1316	30.1	17.66	22357	26.7	1236	28.6	18.09
LAW	6884	8.1	306	7.0	22.50	6491	7.8	312	7.2	20.80
EDUCATION	8356	9.8	548	12.5	15.25	7126	8.5	494	11.4	14.43
OTHER BUSINESS & PROFESSIONAL	32945	38.6	1462	33.5	22.53	34752	41.5	1625	37.6	21.39
NOT ALLOCATED	12990	16.4	735	16.8	19.03	12942	15.5	652	15.1	19.85
MEDICAL (TOTAL)	195814	100.0	7454	100.0	26.27	195695	100.0	7792	100.0	25.11
MEDICAL PROFESSIONAL (TOTAL)	117176	59.8	3298	44.2	35.53	118436	60.5	3718	47.7	31.85
MEDICINE	94041	48.0	2693	36.1	34.92	93873	48.0	2947	37.8	31.85
DENTISTRY	6581	3.4	224	3.0	29.38	5613	2.9	216	2.8	25.99
VETERINARY MED.	2691	1.4	60	0.8	44.85	3481	1.8	83	1.1	41.94
OTHER MED. PROF.	2839	1.4	120	1.6	23.66	4286	2.2	164	2.1	26.13
MED. PROF-NOT GIVN	11024	5.6	202	2.7	54.56	11183	5.7	308	4.0	36.31
MEDICAL TEXTBOOKS (TOTAL)	69473	35.5	3643	48.9	19.07	69794	35.7	3764	48.3	18.54
NURSING	38825	19.8	2185	29.3	17.77	39828	20.4	2418	31.0	16.47
ALLIED HEALTH	9865	5.0	499	6.7	19.77	8164	4.2	435	5.6	18.77
OTHER TEXTBOOKS	18035	9.2	811	10.9	22.24	18802	9.6	755	9.7	24.90
MED. TEXTS-NOT GIV	2748	1.4	148	2.0	18.57	3000	1.5	156	2.0	19.23
NOT ALLOCATED	9165	4.7	513	6.9	17.87	7465	3.8	310	4.0	24.08

TABLE B3 - DOMESTIC NET SALES OF PROFESSIONAL BOOKS-BY TYPE OF CUSTOMER

THOUSANDS OF DOLLARS - AS REPORTED BY 24 PUBLISHERS

	ALL SALES		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL
RETAIL STORES (TOTAL)	79388	26.2	29569	36.1	17053	26.9	29781	20.7
GENERAL BOOKSTORES	30399	11.5	13231	17.5	9207	14.5	7693	6.7
COLLEGE BOOKSTORES	37490	14.2	13311	17.7	7521	11.8	15958	13.9
OTHER RETAILERS	1114	0.4	702	0.9	325	0.5	87	0.1
UNSPECIFIED	10385		2325		0		6043	
WHOLESALERS AND JOBBERS (TOTAL)	76396	25.2	16232	19.8	5882	9.3	48092	33.5
LIBRARY JOBBERS	13371	11.3	7266	13.7	2737	8.0	3368	7.0
ALL OTHER JOBBERS	16438	13.9	3264	6.1	420	1.2	12754	26.5
UNSPECIFIED	46587		5702		2725		31970	
LIBRARIES & INSTITUTIONS (TOTAL)	23007	7.6	8628	10.5	10528	16.6	2245	1.6
PUBLIC LIBRARIES	3781	1.6	732	1.4	2771	4.4	278	0.3
COLLEGES AND UNIVERSITIES	6979	3.0	2915	5.7	2988	4.7	886	0.8
SCHOOLS	4509	1.9	1183	2.3	2902	4.6	408	0.4
OTHER	2604	1.1	571	1.1	1867	2.9	153	0.1
UNSPECIFIED	5134		3227		0		520	
GOVERNMENT	2809	0.9	865	1.1	1096	1.7	320	0.2
INDUSTRY	15091	5.0	5473	6.7	7017	11.1	2072	1.4
SPECIAL SALES	5023	1.7	2191	2.7	274	0.4	1472	1.0
INDIVIDUAL SALES (TOTAL)	101262	33.4	18877	23.1	21622	34.1	59733	41.6
THROUGH SALESMEN	15265	5.2	5	0.0	122	0.2	15138	10.8
BY MAIL	82250	28.0	17905	22.9	21466	33.8	42879	30.5
CONVENTION SALES	629	0.2	136	0.2	28	0.0	465	0.3
UNSPECIFIED	3118		831		6		1251	
TOTAL	302976	100.0	81835	100.0	63472	100.0	143715	100.0

In **Table B3**, as in other succeeding tables, the data appearing in the column headed "All Sales" do **not** represent a total of the items shown horizontally in the remaining columns. Some reporting publishers have provided breakdowns of sales by category of publication, summarized in the detail columns, while others have not. However, all sales reported, whether detailed in other columns or not, **are** included in the "All Sales" column.

The "Percentage of Total" shown in the detail columns represents the portion of sales in a publishing category marketed to the customer type listed in the stub. "Unspecified" amounts are allocated in proportion to amounts specifically reported, as explained in the Introduction to this 1984 AAP Annual Statistics volume.

TABLE B4 - NET SALES OF PROFESSIONAL BOOKS-BY GEOGRAPHICAL LOCATION

THOUSANDS OF DOLLARS - AS REPORTED BY 26 PUBLISHERS

	ALL SALES		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL
UNITED STATES	320175	87.3	92345	81.7	79096	92.5	135767	88.3
CANADA	9675	2.6	1954	1.7	2303	2.7	4372	2.8
FOREIGN (TOTAL)	37064	10.1	18701	16.5	4104	4.8	13550	8.8
LATIN AMERICA	1628	0.6	517	0.6	96	0.2	1010	0.8
AUSTRALIA & N.ZEALAND	2000	0.7	674	0.8	301	0.5	1025	0.8
ASIA	9386	3.3	4706	5.5	991	1.8	3402	2.7
UNITED KINGDOM	8326	3.0	3489	4.1	886	1.6	3759	3.0
CONTINENTAL EUROPE	4249	1.5	3010	3.5	114	0.2	1125	0.9
AFRICA, NEAR & MIDDLE EAST	2765	1.0	1817	2.1	325	0.6	623	0.5
UNSPECIFIED	8709		4488		1391		2605	
TOTAL	366914	100.0	113000	100.0	85503	100.0	153689	100.0

TABLE B5 - OPERATING DATA OF PROFESSIONAL BOOK PUBLISHERS-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 25 PUBLISHERS

	ALL PUBLISHERS			TECHNICAL AND SCIENTIFIC		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE
GROSS SALES	475246	115.2	110.4 TO 116.3	104486	116.3	105.8 TO 118.9
RETURNS AND ALLOWANCES	62640	15.2	10.4 TO 16.3	14630	16.3	5.8 TO 18.9
NET SALES	412608	100.0	100.0 TO 100.0	89856	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	113000	27.4	21.4 TO 33.3	29743	33.1	22.5 TO 45.7
ROYALTIES	41297	10.0	5.7 TO 11.6	9765	10.9	6.5 TO 12.3
TOTAL COST OF SALES	154295	37.4	28.1 TO 45.0	39508	44.0	31.3 TO 55.1
GROSS MARGIN ON SALES	258311	62.6	55.0 TO 71.9	50348	56.0	44.9 TO 68.7
OTHER INCOME	11543	2.8	0.5 TO 3.1	4803	5.3	0.4 TO 11.6
OPERATING EXPENSE						
EDITORIAL	32954	8.0	5.0 TO 10.3	7076	7.9	4.7 TO 12.4
PRODUCTION	21211	5.1	2.0 TO 8.1	3149	3.5	2.0 TO 9.8
MARKETING	82149	19.9	14.3 TO 21.9	15893	17.7	12.9 TO 23.8
FULFILLMENT	31877	7.7	6.1 TO 9.4	7564	8.4	5.4 TO 8.8
GENERAL & ADMIN.	55534	13.5	10.3 TO 18.7	13273	14.8	10.2 TO 33.7
TOTAL OPERATING EXPENSE	223725	54.2	49.6 TO 64.0	46955	52.3	46.1 TO 77.5
NET INCOME FROM OPERATIONS *	46129	11.2	4.3 TO 16.8	8196	9.1	-56.1 TO 24.5

* Please see corresponding note on page B-7.

Continued on page B-7

TABLE B5 - OPERATING DATA OF PROFESSIONAL BOOK PUBLISHERS-BY CATEGORY OF PUBLICATION

Continued from page B-6

	BUSINESS & OTHER PROFESSIONAL			MEDICAL		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE
GROSS SALES	103676	114.0	108.1 TO 119.7	180793	113.3	110.7 TO 115.6
RETURNS AND ALLOWANCES	12769	14.0	8.1 TO 19.7	21269	13.3	10.7 TO 15.6
NET SALES	90907	100.0	100.0 TO 100.0	159526	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	18995	20.9	19.3 TO 32.0	40926	25.7	19.4 TO 33.2
ROYALTIES	6968	7.7	5.3 TO 16.7	18133	11.4	9.0 TO 14.6
TOTAL COST OF SALES	25963	28.6	23.5 TO 42.9	59057	37.0	29.7 TO 47.0
GROSS MARGIN ON SALES	64944	71.4	57.1 TO 76.5	100467	63.0	53.0 TO 70.3
OTHER INCOME	2491	2.7	0.7 TO 5.4	3361	2.1	0.4 TO 3.2
OPERATING EXPENSE						
EDITORIAL	10842	11.9	8.1 TO 16.6	9155	5.7	6.4 TO 10.3
PRODUCTION	4747	5.2	2.4 TO 10.2	9415	5.9	1.8 TO 7.4
MARKETING	21047	23.2	14.4 TO 28.1	30824	19.3	16.1 TO 22.5
FULFILLMENT	5227	5.7	4.1 TO 7.8	14220	8.9	5.8 TO 10.4
GENERAL & ADMIN.	11742	12.9	12.0 TO 15.3	19216	12.0	9.5 TO 16.8
TOTAL OPERATING EXPENSE	53605	59.0	50.6 TO 67.8	82830	51.9	45.8 TO 59.3
NET INCOME FROM OPERATIONS*	13830	15.2	1.6 TO 20.7	20998	13.2	1.5 TO 19.2

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

OPERATING DATA

Operating data of Professional Publishers is reported in two sections. The first section, **Tables B5 through B14,** provides some breakdown by category of publication; while the second section, **Tables B15 through B23,** analyzes the data by size of publisher.

Tables B5 and B15 are summary tables, offering composite income statements of the reporting publishers. The remaining tables detail specific expense areas.

Publishers, while asked to provide sales data on a calendar year basis, were given the option to furnish operating information on a fiscal year basis. 3 publishers exercised this option, and five did not report their year. The months terminating their reporting year are listed below, together with the number of publishers for each fiscal period:

March - 1
April - 1
January - 1

TABLE B6 - MANUFACTURING EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $327,244,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
BEGINNING INVENTORY	76955	23.5	24340	32.7	16189	17.8	31075	21.9
PURCHASES (TOTAL)	92898	28.4	27033	36.3	19868	21.9	36570	25.8
PLANT COSTS	27303	9.0	8936	12.0	3997	4.4	13673	10.1
PAPER, PRINTING & BINDING	58724	19.4	18097	24.3	15871	17.5	21198	15.7
UNSPECIFIED	6870		0		0		1699	
COST OF FREE BOOKS	2967	0.9	814	1.1	500	0.5	1516	1.1
WRITE DOWNS	5256	1.6	1573	2.1	1238	1.4	2035	1.4
ENDING INVENTORY AFTER WRITE DOWNS	81732	25.0	28328	38.1	16562	18.2	30819	21.7
TOTAL MANUFACTURING EXP.	85154	26.0	22231	29.9	18995	20.9	35310	24.9

The composite manufacturing cost figure in **Table B6** includes data that reflect varying treatments of plant costs. Since a levelling effect takes place when the data are consolidated, the possibility of distortion is minimized. Nevertheless, a publisher who compares his own data with those in the survey should bear in mind that the inventory and purchase figures shown represent a mix that includes plant costs being amortized, plant costs that have been inventoried, and even some plant costs that have been written off on publication.

To place the survey data in perspective, the practices of some participating publishers are listed here:

Written off as incurred - 5
Written off as incurred, but plates 3 years after publication - 1
Written into inventory - 5

Amortized over 1 year - 1
Amortized over 1-5 years - 1
Amortized over 2-5 years - 1
Amortized over 3 years - 1
Amortized over 4 years - 2
Amortized over 5 years - 3
Amortized over 6 years - 2

Although the group of publishers reporting plant cost treatment is not identical to that whose manufacturing costs are analyzed in **Tables B5 and B6,** the treatment report provides an indication of the proportion and the effect of the plant cost input on the analysis.

12 publishers with a total net sales of $186.6 million reported carrying a total of $39.0 million in unamortized plant costs on their year-end balance sheets, (20.9% of net sales).

TABLE B7 - ROYALTY EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $312,044,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ROYALTIES PAID	30272	9.7	9192	10.5	5748	8.3	14578	10.8
FEES IN LIEU OF ROYALTIES	454	0.1	302	0.3	26	0.0	127	0.1
ADVANCES WRITTEN OFF	459	0.1	147	0.2	109	0.2	169	0.1
TOTAL ROYALTIES	31185	10.0	9640	11.0	5883	8.5	14873	11.0

In **Table B7**, in addition to providing operating data on royalties, publishers were asked to report the level of royalty advances carried on their balance sheets at reporting year end. 19 publishers responded, reporting a total aggregate advance of $6.9 million. As these publishers enjoyed combined net sales of $320.6 million, the advances reported represent 2.2% of net sales.

TABLE B8 - OTHER PUBLISHING INCOME-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $312,044,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SUBSIDIARY RIGHTS (TOTL)	7733	2.4	3870	4.7	962	2.0	2326	1.8
REPRINT	276	0.1	83	0.1	113	0.2	80	0.1
BOOK CLUB	868	0.3	529	0.6	280	0.6	59	0.0
PERMISSIONS	95	0.0	23	0.0	50	0.1	21	0.0
FOREIGN & TRANSLATION	5616	1.9	3224	3.9	498	1.0	1890	1.5
OTHER	542	0.2	11	0.0	21	0.0	276	0.2
UNSPECIFIED	336		0		0		0	
GENERAL	2867	0.9	936	1.1	686	1.4	1009	0.8
TOTAL OTHER INCOME	10600	3.3	4806	5.8	1648	3.4	3335	2.6

TABLE B9 - EDITORIAL EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 24 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $354,678,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
EDITORIAL EXPENSE								
SALARIES	17251	4.9	4395	4.5	5865	8.4	5039	3.3
BENEFITS	3523	1.0	977	1.0	1204	1.7	1023	0.7
OUTSIDE EDITORIAL EXP	3611	1.0	1202	1.2	914	1.3	1153	0.8
TRAVEL & ENTERTAINMNT	1882	0.5	389	0.4	451	0.6	896	0.6
OTHER	3348	0.9	853	0.9	1493	2.1	642	0.4
TOTAL EDITORIAL EXPENSE	29615	8.3	7816	8.0	9926	14.3	8754	5.7

TABLE B10 - PRODUCTION EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 24 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $354,678,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PRODUCTION EXPENSE								
SALARIES	11776	3.3	2361	2.4	1593	2.3	6987	4.6
BENEFITS	2519	0.7	465	0.5	309	0.4	1646	1.1
OUTSIDE PRODUCT'N EXP	2247	0.6	172	0.2	750	1.1	200	0.1
OTHER	3182	0.9	700	0.7	1775	2.6	556	0.4
TOTAL PRODUCTION EXPENSE	19724	5.6	3699	3.8	4427	6.4	9389	6.1

TABLE B11 - MARKETING EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 23 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $349,556,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SELLING EXPENSE								
SALESMEN'S SALARIES & COMMISSIONS	9883	2.8	2204	2.3	2193	3.2	5272	3.4
SALESMEN'S BENEFITS	2016	0.6	544	0.6	401	0.6	1040	0.7
SALESMEN'S TRAVEL & ENTERTAINMENT	1752	0.5	590	0.6	620	0.9	521	0.3
DEPARTMENTAL SALARIES	3917	1.1	742	0.8	302	0.4	2873	1.8
DEPARTMENTAL BENEFITS	641	0.2	144	0.1	75	0.1	421	0.3
DEPARTMENTAL TRAVEL & ENTERTAINMENT	717	0.2	123	0.1	42	0.1	552	0.4
OTHER	1927	0.5	149	0.1	648	0.9	1130	0.7
TOTAL SELLING EXPENSE	20853	5.9	4496	4.6	4281	6.2	11909	7.7
PROMOTION								
DEPARTMENTAL SALARIES	5669	1.6	1663	1.7	1123	1.6	2139	1.4
BENEFITS	1354	0.4	404	0.4	311	0.4	498	0.3
SPACE ADVERTISING	4360	1.2	1737	1.8	1215	1.7	1106	0.7
CATALOGS & DIRECT MAIL (TOTAL)	22210	6.4	6578	6.7	3626	5.2	10593	6.8
CATALOGS	2832	0.9	1605	1.6	589	0.8	395	0.3
DIRECT MAIL	18104	5.5	4973	5.1	3037	4.4	9754	6.4
UNSPECIFIED	1274		0		0		444	
PUBLICITY	998	0.3	295	0.3	63	0.1	513	0.3
FREE COPIES	3197	0.9	789	0.8	495	0.7	1773	1.1
EXHIBITS	1751	0.5	446	0.5	295	0.4	807	0.5
OTHER	3505	1.0	1547	1.6	1140	1.6	663	0.4
UNSPECIFIED	159		0		0		0	
TOTAL PROMOTION EXPENSE	43203	12.3	13459	13.7	8268	11.9	18092	11.6
TOTAL MARKETING EXPENSE	64056	18.2	17956	18.3	12549	18.1	30001	19.3

TABLE B12 - FULFILLMENT EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS

16 PUBLISHERS WITH NET SALES OF $285,545,000 -- INTERNAL FACILITIES	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ORDER PROCESSING								
SALARIES	6124	2.1	2080	2.2	992	1.8	2508	2.1
BENEFITS	1296	0.5	439	0.5	233	0.4	592	0.5
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	4656	1.6	1677	1.8	911	1.6	1894	1.6
EQUIPMENT & SUPPLIES	1079	0.4	358	0.4	268	0.5	447	0.4
TOTAL ORDER PROCESSING	13154	4.6	4554	4.9	2403	4.3	5441	4.6
SHIPPING & WAREHOUSING								
SALARIES	4896	1.7	1407	1.5	459	0.8	2620	2.2
BENEFITS	1027	0.4	332	0.4	99	0.2	570	0.5
OCCUPANCY	3082	1.1	971	1.0	345	0.6	1373	1.2
EQUIPMENT & SUPPLIES	1847	0.6	386	0.4	147	0.3	1185	1.0
TRANSPORTATION CHRGES	1464	0.5	174	0.2	390	0.7	230	0.2
UNSPECIFIED	1		0		0		1	
TOTAL SHIPPING AND WAREHOUSING	12317	4.3	3269	3.5	1441	2.6	5979	5.0
TOTAL FULFILLMENT EXP. OF PUBLISHERS UTILIZING INTERNAL FACILITIES	25471	8.9	7823	8.4	3844	6.9	11420	9.6

In addition to the data reported in **Table B12,** 6 publishers reported utilizing a combination of inside and outside facilities. Their net sales were $49.1 million; their combined order processing cost was $2.1 million (4.3% of net sales); their combined shipping and warehousing cost was $1.5 million (3.0% of net sales), and their total fulfillment expense was $3.6 million (7.3% of net sales).

TABLE B13 - GENERAL AND ADMINISTRATIVE EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 21 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $320,433,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
MANAGEMENT SALARIES	5967	1.9	2607	2.7	909	1.7	1668	1.2
MANAGEMENT BENEFITS	1050	0.3	498	0.5	191	0.4	264	0.2
ACCOUNTING SALARIES	3510	1.1	986	1.0	469	0.9	1514	1.1
ACCOUNTING BENEFITS	784	0.2	214	0.2	104	0.2	379	0.3
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	3898	1.2	820	0.8	515	1.0	1622	1.2
GENERAL OFFICE BENEFITS	896	0.3	179	0.2	102	0.2	357	0.3
GENERAL TRAVEL AND ENTERTAINMENT	1014	0.3	272	0.3	126	0.2	302	0.2
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	2903	0.9	543	0.6	334	0.6	1658	1.2
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	10161	3.2	3206	3.3	1626	3.1	3263	2.4
OTHER TAXES (EXCEPT INC. (& PAYROLL TAXES)	1655	0.5	369	0.4	462	0.9	818	0.6
PERSONAL PROP. TAXES	122	0.0	56	0.1	52	0.1	15	0.0
ALL OTHER	1525	0.5	307	0.3	411	0.8	801	0.6
UNSPECIFIED	8		6		0		2	
OTHER	12286	3.8	5373	5.5	1974	3.7	4230	3.1
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	44125	13.8	15067	15.5	6813	12.9	16074	11.8

TABLE B14 - SUMMARY OF EMPLOYEE BENEFITS EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 16 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $264,030,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PENSIONS	2314	0.9	1030	1.1	490	0.9	512	0.6
DEFERRED PROFIT SHARING	457	0.2	260	0.3	89	0.2	53	0.1
HOSPITALIZATION & GROUP INSURANCE	4072	1.5	1649	1.7	587	1.1	1339	1.6
PAYROLL TAXES	5713	2.2	1948	2.0	1801	3.4	1378	1.6
OTHER	216	0.1	28	0.0	17	0.0	108	0.1
TOTAL EMPLOYEE BENEFITS	12772	4.8	4915	5.2	2983	5.6	3390	3.9

TABLE B15 - OPERATING DATA OF PROFESSIONAL BOOK PUBLISHERS-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 25 PUBLISHERS

	ALL PUBLISHERS			8 PUBLISHERS WITH NET SALES UP TO $5 MILLION		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE
GROSS SALES	475246	115.2	110.4 TO 116.3	20602	111.6	105.6 TO 113.6
RETURNS AND ALLOWANCES	62640	15.2	10.4 TO 16.3	2141	11.6	5.6 TO 13.6
NET SALES	412608	100.0	100.0 TO 100.0	18463	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	113000	27.4	21.4 TO 33.3	5454	29.5	21.3 TO 33.4
ROYALTIES	41297	10.0	5.7 TO 11.6	1317	7.1	5.6 TO 10.5
TOTAL COST OF SALES	154295	37.4	28.1 TO 45.0	6771	36.7	27.9 TO 41.8
GROSS MARGIN ON SALES	258311	62.6	55.0 TO 71.9	11692	63.3	58.2 TO 72.1
OTHER INCOME	11543	2.8	0.5 TO 3.1	209	1.1	0.1 TO 4.5
OPERATING EXPENSE						
EDITORIAL	32954	8.0	5.0 TO 10.3	2270	12.3	5.0 TO 18.1
PRODUCTION	21211	5.1	2.0 TO 8.1	831	4.5	2.0 TO 8.2
MARKETING	82149	19.9	14.3 TO 21.9	3389	18.4	14.9 TO 23.4
FULFILLMENT	31877	7.7	6.1 TO 9.4	1440	7.8	6.3 TO 9.8
GENERAL & ADMIN.	55534	13.5	10.3 TO 18.7	3474	18.8	9.2 TO 32.1
TOTAL OPERATING EXPENSE	223725	54.2	49.6 TO 64.0	11404	61.8	54.4 TO 72.1
NET INCOME FROM OPERATIONS*	46129	11.2	4.3 TO 16.8	497	2.7	-8.6 TO 9.0

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

Continued on page B-15

TABLE B15 - OPERATING DATA OF PROFESSIONAL BOOK PUBLISHERS-BY SIZE OF PUBLISHER

Continued from page B-14

	8 PUBLISHERS WITH NET SALES $5 TO $15 MILLION			9 PUBLISHERS WITH NET SALES ABOVE $15 MILLION		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE
GROSS SALES	151728	112.6	109.8 TO 115.7	302916	116.8	107.7 TO 121.3
RETURNS AND ALLOWANCES	17033	12.6	9.8 TO 15.7	43466	16.8	7.7 TO 21.3
NET SALES	134695	100.0	100.0 TO 100.0	259450	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	40233	29.9	22.5 TO 48.6	67313	25.9	19.0 TO 29.7
ROYALTIES	12660	9.4	4.5 TO 12.1	27320	10.5	7.0 TO 13.6
TOTAL COST OF SALES	52891	39.3	30.3 TO 51.2	94633	36.5	24.0 TO 43.4
GROSS MARGIN ON SALES	81802	60.7	48.8 TO 69.7	164817	63.5	56.6 TO 76.0
OTHER INCOME	2256	1.7	0.1 TO 3.1	9078	3.5	0.5 TO 2.8
OPERATING EXPENSE						
EDITORIAL	7211	5.4	4.4 TO 8.0	23473	9.0	6.2 TO 12.5
PRODUCTION	10205	7.6	2.5 TO 10.3	10175	3.9	1.8 TO 7.2
MARKETING	24020	17.8	11.5 TO 21.0	54740	21.1	16.2 TO 24.1
FULFILLMENT	12983	9.6	7.0 TO 10.6	17454	6.7	3.7 TO 7.4
GENERAL & ADMIN.	18503	13.7	10.4 TO 19.2	33557	12.9	10.1 TO 15.5
TOTAL OPERATING EXPENSE	72922	54.1	49.6 TO 55.2	139399	53.7	44.4 TO 62.4
NET INCOME FROM OPERATIONS*	11136	8.3	2.6 TO 16.1	34496	13.3	7.9 TO 19.1

TABLE B16 - MANUFACTURING EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $327,244,000

	ALL PUBLISHERS		6 PUBLISHERS WITH NET SALES UP TO $5 MILLION		5 PUBLISHERS WITH NET SALES $5 TO $15 MILLION		8 PUBLISHERS WITH NET SALES ABOVE $15 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
BEGINNING INVENTORY	76955	23.5	2778	20.0	21537	23.3	52640	23.8
PURCHASES (TOTAL)	92898	28.4	4652	33.5	24908	26.9	63338	28.7
PLANT COSTS	27303	9.0	1767	13.7	6776	9.9	18760	8.5
PAPER, PRINTING & BINDING	58724	19.4	2571	19.9	11575	17.0	44578	20.2
UNSPECIFIED	6870		314		6557		0	
COST OF FREE BOOKS	2967	0.9	128	0.9	832	0.9	2006	0.9
WRITE DOWNS	5256	1.6	252	1.8	781	0.8	4223	1.9
ENDING INVENTORY AFTER WRITE DOWNS	81732	25.0	2912	21.0	20800	22.5	58020	26.3
TOTAL MANUFACTURING EXP.	85154	26.0	4390	31.6	24812	26.8	55952	25.3

See also the discussion following Table B-6.

TABLE B17 - ROYALTY EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $312,044,000

	ALL PUBLISHERS		6 PUBLISHERS WITH NET SALES UP TO $5 MILLION		6 PUBLISHERS WITH NET SALES $5 TO $15 MILLION		7 PUBLISHERS WITH NET SALES ABOVE $15 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ROYALTIES PAID	30272	9.7	930	6.7	9725	9.1	19617	10.2
FEES IN LIEU OF ROYALTIES	454	0.1	0	0.0	168	0.2	286	0.1
ADVANCES WRITTEN OFF	459	0.1	15	0.1	185	0.2	258	0.1
TOTAL ROYALTIES	31185	10.0	945	6.8	10079	9.4	20161	10.5

TABLE B18 - EDITORIAL FXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 24 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $354,678,000

	ALL PUBLISHERS		8 PUBLISHERS WITH NET SALES UP TO $5 MILLION		9 PUBLISHERS WITH NET SALES $5 TO $15 MILLION		7 PUBLISHERS WITH NET SALES ABOVE $15 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
EDITORIAL EXPENSE								
SALARIES	17251	4.9	1290	7.0	4807	3.3	11154	5.8
BENEFITS	3523	1.0	322	1.7	715	0.5	2486	1.3
OUTSIDE EDITORIAL EXP	3611	1.0	439	2.4	716	0.5	2456	1.3
TRAVEL & ENTERTAINMNT	1882	0.5	140	0.8	696	0.5	1047	0.5
OTHER	3348	0.9	95	0.5	1081	0.7	2172	1.1
TOTAL EDITORIAL EXPENSE	29615	8.3	2285	12.4	8015	5.5	19315	10.1

TABLE B19 - PRODUCTION EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 24 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $354,678,000

	ALL PUBLISHERS		9 PUBLISHERS WITH NET SALES UP TO $5 MILLION		7 PUBLISHERS WITH NET SALES $5 TO $15 MILLION		6 PUBLISHERS WITH NET SALES ABOVE $15 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PRODUCTION EXPENSE								
SALARIES	11776	3.3	606	3.3	7388	5.1	3782	2.0
BENEFITS	2519	0.7	125	0.7	1582	1.1	811	0.4
OUTSIDE PRODUCT'N EXP	2247	0.6	61	0.3	1330	0.9	856	0.4
OTHER	3182	0.9	75	0.4	548	0.4	2560	1.3
TOTAL PRODUCTION EXPENSE	19724	5.6	867	4.7	10848	7.5	8009	4.2

TABLE B20 - MARKETING EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 23 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $349,556,000

	ALL PUBLISHERS		8 PUBLISHERS WITH NET SALES UP TO $5 MILLION		8 PUBLISHERS WITH NET SALES $5 TO $15 MILLION		7 PUBLISHERS WITH NET SALES ABOVE $15 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SELLING EXPENSE								
SALESMEN'S SALARIES & COMMISSIONS	9883	2.8	173	0.8	5164	3.7	4545	2.4
SALESMEN'S BENEFITS	2016	0.6	6	0.0	1032	0.7	979	0.5
SALESMEN'S TRAVEL & ENTERTAINMENT	1752	0.5	17	0.1	621	0.4	1113	0.6
DEPARTMENTAL SALARIES	3917	1.1	249	1.2	827	0.6	2841	1.5
DEPARTMENTAL BENEFITS	641	0.2	51	0.2	137	0.1	453	0.2
DEPARTMENTAL TRAVEL & ENTERTAINMENT	717	0.2	24	0.1	196	0.1	498	0.3
OTHER	1927	0.5	95	0.5	415	0.3	1417	0.7
TOTAL SELLING EXPENSE	20853	5.9	615	3.0	8392	6.0	11847	6.2
PROMOTION								
DEPARTMENTAL SALARIES	5669	1.6	409	2.0	2109	1.5	3151	1.6
BENEFITS	1354	0.4	106	0.5	460	0.3	788	0.4
SPACE ADVERTISING	4360	1.2	335	1.6	802	0.6	3223	1.7
CATALOGS & DIRECT MAIL (TOTAL)	22210	6.4	1487	7.2	10907	7.9	9816	5.1
CATALOGS	2832	0.9	216	1.4	987	0.8	1629	0.9
DIRECT MAIL	18104	5.5	828	5.8	9089	7.1	8187	4.3
UNSPECIFIED	1274		443		831		0	
PUBLICITY	998	0.3	41	0.2	816	0.6	140	0.1
FREE COPIES	3197	0.9	155	0.7	1210	0.9	1832	1.0
EXHIBITS	1751	0.5	75	0.4	887	0.6	789	0.4
OTHER	3505	1.0	165	0.8	524	0.4	2815	1.5
UNSPECIFIED	159		0		159		0	
TOTAL PROMOTION EXPENSE	43203	12.3	2774	13.4	17874	12.8	22554	11.8
TOTAL MARKETING EXPENSE	64056	18.2	3389	16.3	26266	18.8	34401	18.0

TABLE B21 - FULFILLMENT EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS

16 PUBLISHERS WITH NET SALES OF $285,545,000 UTILIZING INTERNAL FACILITIES	ALL PUBLISHERS		5 PUBLISHERS WITH NET SALES UP TO $5 MILLION		6 PUBLISHERS WITH NET SALES $5 TO $15 MILLION		5 PUBLISHERS WITH NET SALES ABOVE $15 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ORDER PROCESSING								
SALARIES	6124	2.1	235	1.8	2653	2.3	3236	2.1
BENEFITS	1296	0.5	74	0.6	522	0.5	700	0.4
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	4656	1.6	132	1.0	1660	1.4	2864	1.8
EQUIPMENT & SUPPLIES	1079	0.4	17	0.1	375	0.3	687	0.4
TOTAL ORDER PROCESSING	13154	4.6	458	3.5	5209	4.5	7488	4.8
SHIPPING & WAREHOUSING								
SALARIES	4896	1.7	87	0.7	2333	2.0	2476	1.6
BENEFITS	1027	0.4	22	0.2	446	0.4	558	0.4
OCCUPANCY	3082	1.1	259	2.0	1542	1.3	1281	0.8
EQUIPMENT & SUPPLIES	1847	0.6	48	0.4	1174	1.0	625	0.4
TRANSPORTATION CHRGES	1464	0.5	185	1.4	845	0.7	434	0.3
UNSPECIFIED	1		1		0		0	
TOTAL SHIPPING AND WAREHOUSING	12317	4.3	603	4.5	6340	5.5	5374	3.4
TOTAL FULFILLMENT EXP. OF PUBLISHERS UTILIZING INTERNAL FACILITIES	25471	8.9	1061	8.0	11549	10.0	12862	8.2

See also the text accompanying **Table B12.**

TABLE B22 - GENERAL AND ADMINISTRATIVE EXPENSE-BY SIZE OF PUBLISHER

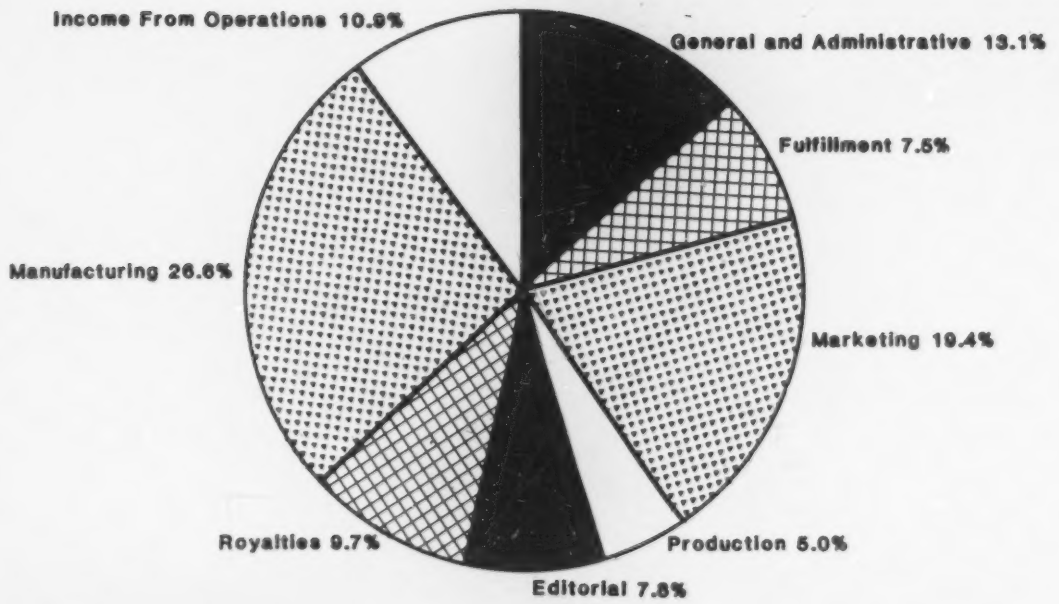
THOUSANDS OF DOLLARS - AS REPORTED BY 21 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $320,433,000

	ALL PUBLISHERS		7 PUBLISHERS WITH NET SALES UP TO $5 MILLION		8 PUBLISHERS WITH NET SALES $5 TO $15 MILLION		6 PUBLISHERS WITH NET SALES ABOVE $15 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
MANAGEMENT SALARIES	5967	1.9	901	5.6	2299	1.8	2767	1.6
MANAGEMENT BENEFITS	1050	0.3	223	1.4	240	0.2	587	0.3
ACCOUNTING SALARIES	3510	1.1	184	1.2	1983	1.5	1343	0.8
ACCOUNTING BENEFITS	784	0.2	15	0.1	422	0.3	347	0.2
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	3898	1.2	188	1.2	2214	1.7	1496	0.9
GENERAL OFFICE BENEFITS	896	0.3	37	0.2	518	0.4	341	0.2
GENERAL TRAVEL AND ENTERTAINMENT	1014	0.3	42	0.3	527	0.4	446	0.3
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	2903	0.9	45	0.3	1103	0.8	1755	1.0
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	10161	3.2	520	3.3	4525	3.5	5116	2.9
OTHER TAXES (EXCEPT INC. & PAYROLL TAXES)	1655	0.5	46	0.3	1317	1.0	292	0.2
PERSONAL PROP. TAXES	122	0.0	39	0.2	27	0.0	56	0.0
ALL OTHER	1525	0.5	2	0.0	1288	1.0	236	0.1
UNSPECIFIED	8		6		2		0	
OTHER	12286	3.8	933	5.9	3766	2.9	7587	4.4
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	44125	13.8	3135	19.7	18912	14.5	22078	12.7

TABLE B23 - SUMMARY OF EMPLOYEE BENEFITS EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 16 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $264,030,000

	ALL PUBLISHERS		3 PUBLISHERS WITH NET SALES UP TO $5 MILLION		7 PUBLISHERS WITH NET SALES $5 TO $15 MILLION		6 PUBLISHERS WITH NET SALES ABOVE $15 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PENSIONS	2314	0.9	112	1.5	782	0.9	1421	0.8
DEFERRED PROFIT SHARING	457	0.2	6	0.1	55	0.1	396	0.2
HOSPITALIZATION & GROUP INSURANCE	4072	1.5	154	2.1	1600	1.9	2318	1.3
PAYROLL TAXES	5713	2.2	94	1.3	1494	1.8	4125	2.4
OTHER	216	0.1	7	0.1	133	0.2	76	0.0
TOTAL EMPLOYEE BENEFITS	12772	4.8	373	5.0	4063	4.9	8335	4.8



Based on data reported in Table B5
Income (100%) Equals Net Sales (97.3%) plus Other Income (2.7%)

FIGURE B2 - 1984 DISPOSITION OF INCOME BY PROFESSIONAL PUBLISHERS

TABLE B24 - EMPLOYEE DATA

AS REPORTED BY 21 PUBLISHERS OF PROFESSIONAL BOOKS, EMPLOYING 2,862 TOTAL STAFF
(NET SALES PER EMPLOYEE - $107,561)

	PERCENT OF TOTAL	
	AVERAGE	MID-RANGE
EDITORIAL	22.2	10.4 TO 29.6
PRODUCTION	19.1	7.8 TO 22.3
MARKETING (TOTAL)	22.0	14.3 TO 27.4
SALESMEN	5.5	3.8 TO 8.2
SALES DEPARTMENT	5.1	3.3 TO 15.5
PROMOTION	10.8	7.1 TO 16.1
UNSPECIFIED	0.6	
FULFILLMENT (TOTAL)	15.8	11.9 TO 26.6
ORDER PROCESSING	10.1	8.2 TO 20.0
SHIPPING & WAREHOUS'G	5.1	7.2 TO 11.0
UNSPECIFIED	0.6	
ADMINISTRATIVE MANAGEM'T	3.9	2.7 TO 11.2
GENERAL OFFICE	8.8	3.7 TO 13.7
OTHER	8.2	3.7 TO 14.5
EMPLOYEES PER $100,000 SALES	0.9	0.3 TO 3.3

TABLE B25 - BILLINGS AND RECEIVABLES

OF PROFESSIONAL BOOK PUBLISHERS

	NUMBER OF PUBL. REP'TG	AMOUNT
NET SALES ($000)	17	177992
NUMBER OF INVOICES ANNUALLY (000)	14	1045
AVERAGE INV. VALUE-$		117.02
NUMBER OF CREDIT MEMOS ANNUALLY (000)		96
ACC'TS RECEIVABLE (AT YEAR END - $000)	15	55176
A/R AS PCT OF NET SLS		31.4
ACC'TS RECEIVABLE - AGED TOTAL ($000)	10	52731
PCT. CURRENT		71.1
PCT. PAST DUE		
1-30 DAYS		13.8
31-60 DAYS		5.3
61 DAYS & OVER		9.7
BAD DEBT RESERVE ($000)	16	3440
PCT. OF NET SALES		2.0
PCT. OF ACC'TS RECE.		6.8
BAD DEBT LOSSES ($000)	12	2007
PCT. OF NET SALES		1.4
PCT. OF ACC'TS RECE.		4.7
AVERAGE COLLECTION PERIOD (DAYS)	14	80
RANGE (DAYS)		53-120

TABLE B26 - INVENTORY TURNOVER

OF PROFESSIONAL BOOK PUBLISHERS

	NUMBER OF PUBL. REP'TS	NET SALES ($000)	INV. TURN-OVER
TECHNICAL & SCIENTIFIC	6	74390	0.8
BUSINESS & OTHER PROF'L	9	90907	1.2
MEDICAL	14	141981	1.1
SALES UP TO $5 MILLION	6	13881	1.5
SALES $5 TO $15 MILLION	4	36131	1.2
SALES ABOVE $15 MILLION	10	293910	1.0

In **Table B26** inventory turnover is established by dividing Total Manufacturing Cost by the average of Beginning Inventory and Ending Inventory After Writedowns. For pertinent definitions, refer to pages 3 and 4 of Operating Data Questionnaire Form B. Also please note the text comments on plant costs and plant cost treatment following **Table B6.**

In comparing his own inventory turnover with that reported here, a publisher should bear in mind not only the possible impact of plant cost treatment on inventory values, but also the variations in such values resulting from differing writedown policies. Most writedown practices in the industry must, perforce, be based on the subjective judgement of market values, reflecting varying life expectancies and turnover of product lines and individual titles. A publisher must keep his own sales patterns in mind, therefore, when making the comparison.

SECTION C - MASS MARKET PAPERBACK PUBLISHERS

Please refer to the GENERAL INSTRUCTIONS AND DEFINITIONS, and the specific instructions and definitions for this divisional survey in QUESTIONNAIRE FORM C (available on request from the AAP New York Office) to insure the correct interpretation of this report. Furthermore, the methodology used in gathering and reporting data, which is discussed in the INTRODUCTION should be reviewed for a full understanding of the tables and text.

Table C1 provides a sales summary based on data reported by 8 rack-sized book publishers and by 8 non-rack-sized publishers.

These publishers of mass market paperbacks reported net sales of $704.7 million to this 1984 Survey. Of these sales $561.7 million were in rack-sized books (i.e. books measuring 4-1/4" x 7-1/8") and $143.0 million were in non-rack-sized books (including a range of paperback books, smaller and larger than rack-sized, but excluding non-book products). Based on the estimates of industry sales in **Table S1** and its accompanying footnotes, the participating publishers appear to represent some 77.6% of this industry segment.

Table C2 provides a breakdown of these sales by type of customer. **Table C3** and subsequent tables are devoted to reporting operating, balance sheet and employee data.

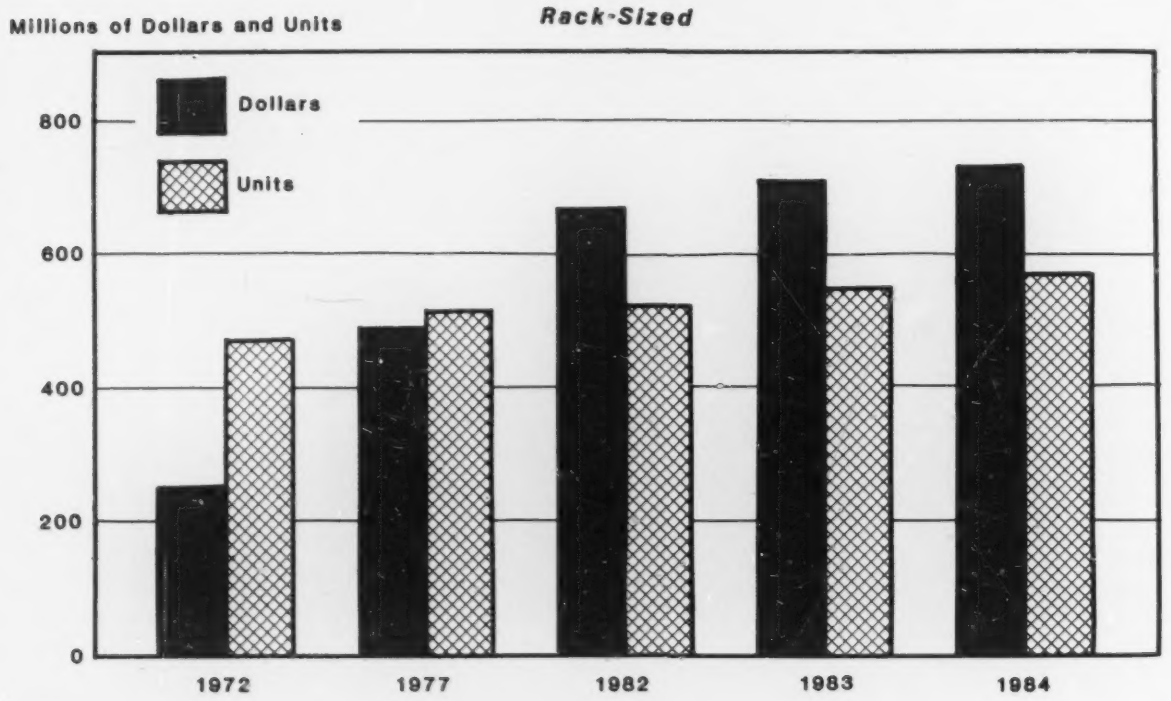
TABLE C1 - SALES OF MASS MARKET PAPERBACKS

MILLIONS OF DOLLARS AND UNITS - AS REPORTED BY 8 PUBLISHERS

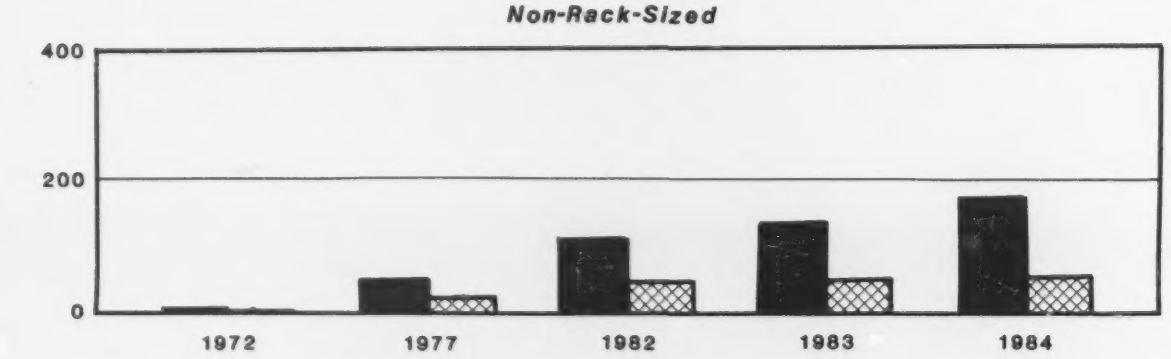
A. RACK-SIZED BOOKS	1984			1983			PERCENT CHANGE 84/83		
	$	UNITS	$ AVG. PER UNIT	$	UNITS	$ AVG. PER UNIT	$	UNITS	$ AVG. PER UNIT
GROSS SALES	914.6	564.8	1.619	866.3	549.9	1.575	5.6	2.7	2.8
CREDITED RETURNS	352.9	226.2	1.560	328.4	230.1	1.427	7.5	-1.7	9.3
NET SALES	561.7	338.6	1.659	537.9	319.8	1.682	4.4	5.9	-1.4
PERCENT RETURNS TO GROSS	38.6	40.0		37.9	41.8		1.8	-4.3	

B. NON-RACK-SIZED BOOKS	1984			1983			PERCENT CHANGE 84/83		
	$	UNITS	$ AVG. PER UNIT	$	UNITS	$ AVG. PER UNIT	$	UNITS	$ AVG. PER UNIT
GROSS SALES	181.3	60.8	2.983	143.0	55.4	2.584	26.8	9.8	15.4
CREDITED RETURNS	38.2	12.3	3.119	28.9	11.1	2.592	32.5	10.1	20.3
NET SALES	143.0	48.5	2.948	114.1	44.2	2.582	25.3	9.7	14.2
PERCENT RETURNS TO GROSS	21.1	20.2		20.2	20.0		4.5	1.0	

FIGURE C1 - ESTIMATED MASS MARKET PAPERBACK SALES 1972, 1977, 1982-84



	1972	1977	1982	1983	1984
DOLLARS	250.0	487.7	665.5	706.1	732.9
UNITS	466.9	518.8	520.4	543.3	567.7



	1972	1977	1982	1983	1984
DOLLARS	2.8	54.8	113.5	139.9	174.7
UNITS	1.3	28.4	48.8	54.6	59.6

TABLE C2a - SALES OF RACK-SIZED MASS MARKET PAPERBACKS-BY TYPE OF CUSTOMER

THOUSANDS OF DOLLARS AND UNITS AS REPORTED BY 8 PUBLISHERS

RACK-SIZED BOOKS 1984	GROSS SALES			CREDITED RETURNS			NET SALES		
	$	UNITS	$/UNIT	$	UNITS	$/UNIT	$	UNITS	$/UNIT
WHOLESALERS-U.S., CANADA									
NEW RELEASES	364586	222204	1.641						
REORDERS	90806	56113	1.618						
TOTAL WHOLESALERS	455392	278317	1.636	231469	153609	1.507	223923	124708	1.796
DIRECT ACCOUNTS									
JOBBERS	129285	77477	1.669	33044	20062	1.647	96241	57415	1.676
RETAILERS	293032	162756	1.800	83512	48868	1.709	209520	113888	1.840
EXPORT & MILITARY	19929	17883	1.114	4729	3541	1.335	15200	14342	1.060
TOTAL DIRECT	442246	258116	1.713	121285	72471	1.674	320961	185645	1.729
SPECIAL SALES	16982	28411	0.598	151	142	1.063	16831	28269	0.595
TOTAL	914620	564844	1.619	352905	226222	1.560	561715	338622	1.659
WEIGHTED AVERAGE COVER PRICE ($)	3.210								

RACK-SIZED BOOKS 1983	GROSS SALES			CREDITED RETURNS			NET SALES		
	$	UNITS	$/UNIT	$	UNITS	$/UNIT	$	UNITS	$/UNIT
WHOLESALERS-U.S., CANADA									
NEW RELEASES	338902	215426	1.573						
REORDERS	99575	64843	1.536						
TOTAL WHOLESALERS	438477	280269	1.564	213914	153832	1.391	224563	126437	1.776
DIRECT ACCOUNTS									
JOBBERS	118850	73915	1.608	30409	21533	1.412	88441	52382	1.688
RETAILERS	273852	158098	1.732	79764	51076	1.562	194088	107022	1.814
EXPORT & MILITARY	22537	19935	1.131	4155	3555	1.169	18382	16380	1.122
TOTAL DIRECT	415239	251948	1.648	114329	76163	1.501	300910	175785	1.712
SPECIAL SALES	12572	17658	0.712	164	92	1.783	12408	17566	0.706
TOTAL	866288	549875	1.575	328407	230087	1.427	537881	319788	1.682
WEIGHTED AVERAGE COVER PRICE ($)	3.038								

5 Publishers reported the following sales and returns (in millions of dollars) and strip cover percentages of returns, for rack-sized books:

	1984	1983
Gross Sales	601.5	571.6
Returns	228.7	213.0
Net Sales	372.8	358.6
% of Strip Covers	95.8	96.1

Questions on Allowances and Shortages, and Wholesaler Inventory (Units) were insufficiently answered to be reported here.

TABLE C2b - SALES OF NON-RACK-SIZED MASS MARKET PAPERBACKS-BY TYPE OF CUSTOMER

THOUSANDS OF DOLLARS AND UNITS AS REPORTED BY 8 PUBLISHERS

NON-RACK-SIZED BOOKS 1984	GROSS SALES			CREDITED RETURNS			NET SALES		
	$	UNITS	$/UNIT	$	UNITS	$/UNIT	$	UNITS	$/UNIT
WHOLESALERS-U.S., CANADA									
NEW RELEASES	22553	7122	3.167						
REORDERS	10946	4978	2.199						
TOTAL WHOLESALERS	33499	12100	2.769	11801	4221	2.796	21698	7879	2.754
DIRECT ACCOUNTS									
JOBBERS	33238	12106	2.746	7712	2323	3.320	25526	9783	2.609
RETAILERS	79370	25637	3.096	15721	4554	3.452	63649	21083	3.019
EXPORT & MILITARY	5125	1546	3.315	345	117	2.949	4780	1429	3.345
TOTAL DIRECT	117733	39289	2.997	23778	6994	3.400	93955	32295	2.909
SPECIAL SALES	30052	9390	3.200	2661	1045	2.546	27391	8345	3.282
TOTAL	181284	60779	2.983	38240	12260	3.119	143044	48519	2.948
WEIGHTED AVERAGE COVER PRICE ($)	7.085								

NON-RACK-SIZED BOOKS 1983	GROSS SALES			CREDITED RETURNS			NET SALES		
	$	UNITS	$/UNIT	$	UNITS	$/UNIT	$	UNITS	$/UNIT
WHOLESALERS-U.S., CANADA									
NEW RELEASES	20058	7527	2.665						
REORDERS	11795	5794	2.036						
TOTAL WHOLESALERS	31853	13321	2.391	11152	4364	2.555	20701	8957	2.311
DIRECT ACCOUNTS									
JOBBERS	27383	11417	2.398	4342	1651	2.630	23041	9766	2.359
RETAILERS	57449	20920	2.746	9999	3423	2.921	47450	17497	2.712
EXPORT & MILITARY	3750	1400	2.679	643	222	2.896	3107	1178	2.638
TOTAL DIRECT	88583	33736	2 626	14984	5296	2.829	73599	28440	2.588
SPECIAL SALES	22578	8298	2.721	2730	1478	1.847	19848	6820	2.910
TOTAL	143014	55355	2.584	28866	11138	2.592	114148	44217	2.582
WEIGHTED AVERAGE COVER PRICE ($)	5.746								

OPERATING DATA

Note that data in **Tables C3a and C5** cover **Rack-Sized** books only, while those in **Table C3b** cover **Non-Rack-Sized** books. **Tables C4, C6, and C7** cover **All Products** (Rack and Non-Rack-Sized books).

Unlike in other sections of this report, data shown in **Section C** not reported in detail by some participating publishers, have been allocated in the same proportion as the detail actually provided, without showing "unspecified" amounts separately.

Readers should also note that "Net Sales" in **Tables C1 and C2** are the product of Gross Sales less Credited Returns only, whereas in **Tables C3a and C3b** "Net Sales" result from the deduction from Gross Sales of Credited Returns, Additional Provisions for Returns, and Incentives.

Data on rack outlays to wholesalers and direct accounts were insufficiently reported this year.

TABLE C3a - OPERATING DATA OF MASS MARKET PAPERBACK PUBLISHERS (RACK-SIZED BOOKS ONLY)

THOUSANDS OF DOLLARS - AS REPORTED BY 5 PUBLISHERS

	1984			1983		
	$	PERCENT OF GROSS SALES		$	PERCENT OF GROSS SALES	
		AVERAGE	RANGE		AVERAGE	RANGE
REVENUES						
GROSS SALES	626276	100.0	100.0 TO 100.0	591199	100.0	100.0 TO 100.0
INCENTIVES	15859	2.5	1.4 TO 3.9	14596	2.5	1.1 TO 5.0
RETURNS & ALLOW. -						
CREDITED	231155	36.9	32.7 TO 45.1	209127	35.4	30.7 TO 47.5
ADD'L PROVISION	1428	0.2	0.1 TO 0.7	6056	1.0	1.2 TO 2.6
ALLOWANCES	-457	-0.1	-0.5 TO -0.1	-80	-0.0	
TOTAL INCENTIVES & RETURNS	247985	39.6	35.5 TO 48.4	229699	38.9	33.3 TO 50.0
NET SALES	378291	60.4	51.6 TO 64.5	361500	61.1	50.0 TO 66.7
COST OF SALES						
COST OF GOODS MANUFACTURED & SOLD	111723	17.8	16.6 TO 18.8	103346	17.5	16.6 TO 18.4
ROYALTIES	96866	15.5	13.0 TO 17.1	97726	16.5	12.7 TO 19.8
FREIGHT & DUTY	23619	3.8	3.2 TO 6.4	21106	3.6	2.9 TO 6.1
TOTAL COST OF SALES	232208	37.1	36.2 TO 40.1	222178	37.6	34.4 TO 42.8
GROSS PROFIT	146083	23.3	16.4 TO 27.0	139322	23.6	15.6 TO 29.0
EXPENSES						
EDITORIAL	7643	1.2	0.5 TO 1.4	6482	1.1	0.4 TO 1.4
PRODUCTION	3914	0.6	0.3 TO 0.9	3349	0.6	0.4 TO 0.8
PROMOTION AND PUBLICITY	25102	4.0	3.0 TO 6.2	24450	4.1	2.7 TO 5.8
ALL OTHER EXPENSE OR (INCOME) NET	80188	12.8	7.0 TO 16.7	73889	12.5	6.2 TO 15.1
TOTAL EXPENSE	116847	18.7	11.5 TO 23.1	108170	18.3	10.6 TO 22.7
INCOME BEFORE TAX, INTEREST EXPENSE & MANAGEMENT FEES*	29236	4.7	2.8 TO 9.9	31152	5.3	4.6 TO 6.2

In addition to the tabular data reported in **Table C3a**, Gross Sales Units were estimated to be 375,039,000 in 1984 and 374,134,000 in 1983, while Returns Units were 145,152,000 in 1984 and 136,279,000 in 1983.

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

TABLE C3b - REVENUES AND COST OF SALES OF NON-RACK-SIZED BOOK PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 5 PUBLISHERS

	1984			1983		
	$	PERCENT OF GROSS SALES		$	PERCENT OF GROSS SALES	
		AVERAGE	RANGE		AVERAGE	RANGE
REVENUES						
GROSS SALES	138347	100.0	100.0 TO 100.0	107950	100.0	100.0 TO 100.0
INCENTIVES	2107	1.5	0.8 TO 10.7	1143	1.1	0.8 TO 13.5
RETURNS & ALLOW. -						
CREDITED	25228	18.2	9.6 TO 26.3	21166	19.6	13.6 TO 25.1
ADD'L PROVISION	5235	3.8	0.9 TO 7.1	1398	1.3	4.8 TO 6.4
ALLOWANCES	-8	-0.0		-8	-0.0	
TOTAL INCENTIVES & RETURNS	32562	23.5	17.4 TO 34.2	23699	22.0	13.6 TO 29.5
NET SALES	105785	76.5	65.8 TO 82.6	84251	78.0	70.5 TO 86.4
COST OF SALES						
COST OF GOODS MANUFACTURED & SOLD	29865	21.6	19.0 TO 28.2	26306	24.4	17.7 TO 26.8
ROYALTIES	21138	15.3	12.0 TO 20.1	16070	14.9	11.4 TO 19.2
FREIGHT & DUTY	4127	3.0	1.4 TO 4.5	3786	3.5	1.5 TO 5.8
TOTAL COST OF SALES	55130	39.8	34.3 TO 44.4	46162	42.8	34.4 TO 48.3
GROSS PROFIT	50655	36.6	29.9 TO 44.0	38089	35.3	33.1 TO 38.1

In addition to the tabular data reported in **Table C3b**, Gross Sales Units were estimated to be 36,255,000 in 1984 and 34,611,000 in 1983, while Returns Units were 7,759,000 in 1984 and 7,276,000 in 1983.

TABLE C4 - RESERVE FOR RETURNS OF MASS MARKET PAPERBACK PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 5 PUBLISHERS

	RACK-SIZED BOOKS				NON-RACK-SIZED BOOKS			
	1984		1983		1984		1983	
	$	PCT OF GROSS SALES	$	PCT OF GROSS SALES	$	PCT OF GROSS SALES	$	PCT OF GROSS SALES
GROSS SALES	626276	100.0	591199	100.0	138347	100.0	107950	100.0
NET SALES	389294	62.2	373367	63.2	106290	76.8	84380	78.2
RESERVE FOR RETURNS	96683	15.4	98424	16.6	26792	19.4	24044	22.3

TABLE C5 - EDITORIAL, PRODUCTION, AND MARKETING EXPENSE (RACK-SIZED BOOKS ONLY)

THOUSANDS OF DOLLARS - AS REPORTED BY 5 PUBLISHERS
WITH TOTAL 1984 GROSS SALES OF $626,276,000

	1984			1983		
		PERCENT OF GROSS SALES			PERCENT OF GROSS SALES	
	$	AVERAGE	MID-RANGE	$	AVERAGE	MID-RANGE
EDITORIAL EXPENSE						
SALARIES	4515	0.7	0.5 TO 0.9	3903	0.7	0.4 TO 0.8
BENEFITS	666	0.1	0.1 TO 0.2	635	0.1	0.1 TO 0.2
ALL OTHER	2462	0.4	0.2 TO 0.6	1944	0.3	0.1 TO 0.5
TOTAL EDITORIAL EXPENSE	7643	1.2	0.9 TO 1.4	6482	1.1	0.7 TO 1.4
PRODUCTION EXPENSE						
SALARIES	2626	0.4	0.3 TO 0.6	2299	0.4	0.3 TO 0.5
BENEFITS	379	0.1	0.1 TO 0.1	359	0.1	0.1 TO 0.1
ALL OTHER	909	0.1	0.0 TO 0.3	691	0.1	0.0 TO 0.2
TOTAL PRODUCTION EXPENSE	3914	0.6	0.4 TO 0.8	3349	0.6	0.4 TO 0.7
PROMOTION & PUBLICITY						
SALARIES	2709	0.4	0.3 TO 0.7	2313	0.4	0.3 TO 0.7
BENEFITS	370	0.1	0.1 TO 0.1	183	0.0	
OUTSIDE MEDIA, POINT OF SALE & PUBLICITY	18521	3.0	2.4 TO 4.0	17757	3.0	2.2 TO 4.1
RACK EXPENSE	1633	0.3	0.2 TO 0.4	1994	0.3	0.3 TO 0.4
ALL OTHER	1869	0.3	0.1 TO 1.1	2203	0.4	0.2 TO 0.7
TOTAL PROMOTION AND PUBLICITY	25102	4.0	3.1 TO 5.4	24450	4.1	2.9 TO 5.3

TABLE C6 - EMPLOYEE DATA (ALL PRODUCTS)

AS REPORTED BY 6 MASS MARKET PAPERBACK PUBLISHERS
EMPLOYING 2,501 TOTAL STAFF IN 1984
(1984 GROSS SALES PER EMPLOYEE - $290,809)

	PERCENT OF TOTAL			
	1984		1983	
	AVERAGE	RANGE	AVERAGE	RANGE
EDITORIAL	9.7	7.2 TO 16.7	9.4	7.6 TO 17.0
PRODUCTION	3.5	2.3 TO 8.1	3.4	2.3 TO 7.6
ART	2.9	1.8 TO 4.0	2.8	2.0 TO 3.8
MARKETING	28.8	24.3 TO 50.5	27.7	22.3 TO 50.8
FULFILLMENT	29.8	11.2 TO 39.7	30.3	12.2 TO 42.1
GENERAL & ADMINISTRATIVE	25.3	5.4 TO 50.0	26.4	7.1 TO 51.9

TABLE C7 - GUARANTEES (ALL PRODUCTS)

THOUSANDS OF DOLLARS - AS REPORTED BY 4 PUBLISHERS

	1984		1983	
	$	PCT OF GROSS SALES	$	PCT OF GROSS SALES
GROSS SALES	601869	100.0	539082	100.0
BOOK RIGHTS (TOTAL)	106556	17.7	108074	20.0
PUBLISHED	15622	2.6	20320	3.8
UNPUBLISHED	90934	15.1	87754	16.3
GUARANTEES COMMITTED	77571	12.9	55339	10.3
NUMBER OF TITLES GUARANTEED	1895		1589	
CASH ADVANCES PAID	103087	17.1	53552	9.9
NUMBER OF TITLES PUBLISHED (TOTAL)	2083		1978	
RACK-SIZED	1813		1785	
NON-RACK-SIZED	270		193	

SECTION D - BOOK CLUBS AND MAIL ORDER PUBLICATIONS

Please refer to the GENERAL INSTRUCTIONS AND DEFINITIONS, and the specific instructions and definitions for this divisional survey in QUESTIONNAIRE FORM D (available on request from the AAP New York Office) to insure the correct interpretation of this report. Furthermore, the methodology used in gathering and reporting data, which is discussed in the INTRODUCTION should be reviewed for a full understanding of the tables and text.

BOOK CLUBS

Table D1 provides a sales summary and comparison between 1984 and 1983 based on data furnished by participating publishers.

67 book clubs, ranging from low-priced children's books to the higher-priced collectors' editions, reported 1984 net sales of $372.4 million to this Survey. Based on **Table S1** estimated net sales for this segment of the industry of $660.9 million, the reported sales represent some 56.3% of the total.

Insufficient reported data prevents the publication of **Table D2** this year, but **Table D3** does show sales by broad geographical location. Operating data are analyzed in **Tables D4–D7**, and receivables are reported jointly with those of mail order publications in **Table D11.**

TABLE D1 - SALES BY BOOK CLUBS

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 63 CLUBS

	GROSS SALES					
	1984		1983		PERCENT CHANGE	
	$	UNITS	$	UNITS	$	UNITS
14 GENERAL INTEREST BOOK CLUBS	313183	44027	297263	28748	5.4	53.1
49 SPECIAL INTEREST AND PROFESSIONAL CLUBS	157433	44669	144247	45103	9.1	-1.0
TOTAL	470616	88696	441510	73851	6.6	20.1

	RETURNS					
	1984		1983		PERCENT CHANGE	
	$	UNITS	$	UNITS	$	UNITS
14 GENERAL INTEREST BOOK CLUBS	68774	5734	56673	5198	21.4	10.3
49 SPECIAL INTEREST AND PROFESSIONAL CLUBS	29398	6391	23690	4662	24.1	37.1
TOTAL	98172	12125	80363	9860	22.2	23.0

Continued on page D-2

TABLE D1 - SALES BY BOOK CLUBS

Continued from page D-1

	NET SALES					
	1984		1983		PERCENT CHANGE	
	$	UNITS	$	UNITS	$	UNITS
14 GENERAL INTEREST BOOK CLUBS	244409	38293	240590	23550	1.6	62.6
44 SPECIAL INTEREST AND PROFESSIONAL CLUBS	128035	38278	120557	40441	6.2	-5.3
TOTAL	372444	76571	361147	63991	3.1	19.7

	1984 PERCENT RETURNS TO GROSS			
	DOLLARS		UNITS	
	AVERAGE	MID-RANGE	AVERAGE	MID-RANGE
14 GENERAL INTEREST BOOK CLUBS	[illegible].0		13.0	
49 SPECIAL INTEREST AND PROFESSIONAL CLUBS	18.7	17.1 TO 30.7	14.3	13.6 TO 24.5
TOTAL	20.8	15.6 TO 28.3	13.9	13.1 TO 20.7

	1983 PERCENT RETURNS TO GROSS			
	DOLLARS		UNITS	
	AVERAGE	MID-RANGE	AVERAGE	MID-RANGE
14 GENERAL INTEREST BOOK CLUBS	19.1		18.1	
49 SPECIAL INTEREST AND PROFESSIONAL CLUBS	16.4	14.6 TO 27.4	10.3	12.3 TO 22.4
TOTAL	18.2	13.6 TO 26.5	13.4	10.8 TO 20.7

TABLE D3 - GEOGRAPHICAL DISTRIBUTION OF GROSS SALES BY BOOK CLUBS

THOUSANDS OF DOLLARS - AS REPORTED BY 67 CLUBS

	DOMESTIC		CANADA		OTHER FOREIGN	
	$	PCT OF SALES	$	PCT OF SALES	$	PCT OF SALES
14 GENERAL INTEREST CLBS	302119	96.5	11064	3.5	0	0.0
53 SPECIAL INTEREST AND PROFESSIONAL CLUBS	156188	97.6	3142	2.0	690	0.4
TOTAL	458307	96.9	14206	3.0	690	0.1

TABLE D4 - OPERATING DATA OF BOOK CLUBS

THOUSANDS OF DOLLARS - AS REPORTED BY 52 CLUBS

	1984			1983		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE
GROSS SALES	453815	124.1	118.6 TO 145.5	425122	121.9	115.8 TO 138.5
REGULAR	424866	119.7	108.4 TO 125.5	395961	116.9	105.7 TO 123.5
REDUCED PRICE	15652	4.4		16672	4.9	
UNSPECIFIED	13297			12489		
RETURNS & ALLOWANCES	88125	24.1	18.6 TO 45.5	76241	21.9	15.8 TO 38.5
NET SALES	365690	100.0	100.0 TO 100.0	348881	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	44888	19.4	15.4 TO 24.7	45068	20.6	17.1 TO 21.3
ROYALTIES	12136	5.3	2.7 TO 10.2	12087	5.5	3.0 TO 9.2
UNSPECIFIED	33193			33885		
TOTAL COST OF SALES	90217	24.7	20.0 TO 34.8	91040	26.1	21.8 TO 30.9
GROSS MARGIN ON SALES	275473	75.3	65.2 TO 80.0	257841	73.9	69.1 TO 78.2
OTHER INCOME	1887	0.5	0.2 TO 1.7	1271	0.4	0.2 TO 1.5
OPERATING EXPENSE						
ADVERTISING & PROM.	102259	37.9	36.2 TO 40.8	93227	37.4	33.1 TO 38.9
FULFILLMENT (NET OF RECOVERY)	14516	5.4	5.5 TO 10.8	14758	5.9	6.0 TO 11.5
GENERAL & ADMIN.	56091	20.8	18.9 TO 25.7	44865	18.0	14.8 TO 24.6
UNSPECIFIED	61645			61125		
TOTAL OPERATING EXPENSE	234511	64.1	60.3 TO 71.6	213975	61.3	57.9 TO 6[illegible].3
NET INCOME FROM OPERATIONS*	42849	11.7	0.7 TO 13.2	45137	12.9	9.4 TO 13.7

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

TABLE D5 - ADVERTISING AND PROMOTION EXPENSE OF BOOK CLUBS

THOUSANDS OF DOLLARS - AS REPORTED BY 30 BOOK CLUBS WITH TOTAL NET SALES OF $296,957,000

	$	PCT OF NET SALES
NEW MEMBER OFFERS-TOTAL (NET OF RECOVERY)	73933	24.9
COST OF BOOKS	27515	9.3
SPACE ADVERTISING	23762	8.0
DIRECT MAIL	25833	8.7
OTHER	2359	0.8
LESS: INCOME FROM OFFERS	5536	1.9
PROMOTION TO MEMBERS	31677	10.7
ADVERTSING AND PROMOTION SALARIES	5341	1.8
TOTAL ADVERTISING AND PROMOTION EXPENSE	110951	37.4

BOOK CLUBS - OPERATING DATA

Table D6 - Income and Cost of New Member Acquisition; and **Table D6a** - Membership Data have been suppressed this year because insufficient data were reported to this survey.

TABLE D7 - FULFILLMENT EXPENSE OF BOOK CLUBS

THOUSANDS OF DOLLARS - AS REPORTED BY 37 BOOK CLUBS WITH TOTAL NET SALES OF $194,946,000

	$	PCT OF NET SALES
SALARIES	7787	4.0
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOCATED)	6606	3.4
OTHER	27823	14.3
LESS: RECOVERIES	32295	16.6
TOTAL FULFILLMENT EXP.	9921	5.1

TABLE D8 - CONSUMER MAIL ORDER SALES OF MAIL ORDER PUBLICATIONS

THOUSANDS OF DOLLARS - AS REPORTED BY 6 PUBLISHERS

	1984		1983		PCT CHG 84/83		YOUR DATA		
	$	UNITS	$	UNITS	$	UNITS			
GROSS SALES	206982	21093	198737	24482	4.2	-13.8			
RETURNS	36374	4279	35065	3795	3.7	12.8			
NET SALES	170608	16814	163672	20687	4.2	-18.7			
PERCENT RETURNS TO GROSS	17.6	20.3	17.6	15.5					

TABLE D9 - MAIL ORDER PUBLICATIONS OPERATING DATA

THOUSANDS OF DOLLARS - AS REPORTED BY 4 PUBLISHERS

	1984			1983		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE
GROSS SALES	204945	121.0	106.7 TO 146.9	196349	121.2	107.8 TO 138.0
RETURNS AND ALLOWANCES	35576	21.0	6.7 TO 46.9	34322	21.2	7.8 TO 38.0
NET SALES	169369	100.0	100.0 TO 100.0	162027	100.0	100.0 TO 100.0
COST OF SALES	29567	17.5	13.7 TO 90.0	41589	25.7	14.2 TO 64.4
GROSS MARGIN ON SALES	139802	82.5	10.0 TO 86.3	120438	74.3	35.6 TO 85.8
OTHER INCOME	1025	0.6	0.2 TO 5.2	-1196	-0.7	-7.7 TO 6.6
OPERATING EXPENSE						
EDITORIAL	12845	7.6	4.2 TO 9.5	14116	8.7	4.1 TO 10.7
PRODUCTION	70	0.0	1.1 TO 1.1	60	0.0	0.9 TO 0.9
MARKETING	79515	46.9	5.1 TO 50.2	58957	36.4	13.1 TO 37.5
FULFILLMENT (NET)	7208	4.3	3.4 TO 8.2	8405	5.2	4.5 TO 8.7
GENERAL & ADMIN.	20472	12.1	8.2 TO 51.9	22272	13.7	10.8 TO 37.9
TOTAL OPERATING EXPENSE	120110	70.9	57.9 TO 72.1	103810	64.1	59.7 TO 67.8
NET INCOME FROM OPERATIONS*	20717	12.2	-50.8 TO 33.6	15432	9.5	-24.3 TO 28.1

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

TABLE D11 - RECEIVABLES AND BAD DEBTS

OF BOOK CLUBS AND PUBLISHERS OF MAIL ORDER PUBLICATIONS

	ALL REPLIES	44 BOOK CLUBS	4 MAIL ORDER PUBL'S
NET SALES ($000)	529201	364951	164250
ACC'TS RECEIVABLE (AT YEAR END - $000)	153585	103957	49628
PCT. OF NET SALES	29.0	28.5	30.2
PCT. CURRENT	40.7	43.8	34.4
PCT. 1-30 DAYS	22.8	21.6	25.3
PCT. 31-60 DAYS	13.2	12.2	15.3
PCT. 61 DAYS & OVER	23.2	22.4	25.0
BAD DEBT RESERVE ($000)	37027	27447	9580
PCT. OF NET SALES	7.0	7.5	5.8
PCT. OF RECEIVABLES	24.1	26.4	19.3
BAD DEBT LOSSES ($000)	35829	25220	10609
PCT. OF NET SALES	6.8	6.9	6.5
PCT. OF RECEIVABLES	23.3	24.3	21.4
AVERAGE COLLECTION PERIOD (DAYS)	86	96	65

MAIL ORDER PUBLICATIONS

Only 6 publishers of Mail Order Publications (created exclusively for mail order sales) reported this year. As a result, **Table D10** - Promotion and Advertising Expense; **Table D12** - Employee Data; and **Table D13** - Fulfillment Expense of Mail Order Publishers have had to be suppressed to prevent disclosure.

SECTION T - ESTIMATED ELHI AND COLLEGE INDUSTRY SALES

TABLE T1 - ESTIMATED INDUSTRY SALES OF TEXTBOOKS, EDUCATIONAL MATERIALS & STANDARDIZED TESTS

MILLIONS OF DOLLARS

	1972			1977		
	$	INDEX	PCT OF TOTAL SALES	$	INDEX	PCT OF TOTAL SALES
ELHI TEXTBOOKS (TOTAL)	498	100	49.0	756	152	47.2
ELEMENTARY	318	100	31.3	480	151	30.0
HIGH SCHOOL	180	100	17.7	276	153	17.2
COLLEGE TEXTBOOKS	375	100	36.9	650	173	40.6
AV AND OTHER MEDIA (TTL)	116	100	11.4	151	130	9.4
ELHI	101	100	9.9	131	130	8.2
COLLEGE	9	100	.9	12	133	.7
OTHER	6	100	.6	8	133	.5
STANDARDIZED TESTS	27	100	2.7	45	167	2.8
TOTAL	1016	100	100.0	1602	158	100.0

	1982			1983			1984		
	$	INDEX	PCT OF TOTAL SALES	$	INDEX	PCT OF TOTAL SALES	$	INDEX	PCT OF TOTAL SALES
ELHI TEXTBOOKS (TOTAL)	1052	211	43.7	1150	231	44.2	1311	263	46.0
ELEMENTARY	667	209	27.7	752	236	28.9	811	255	28.4
HIGH SCHOOL	385	214	16.0	398	221	15.3	501	278	17.6
COLLEGE TEXTBOOKS	1142	304	47.3	1229	328	47.2	1279	341	44.9
AV AND OTHER MEDIA (TTL)	148	127	6.1	143	123	5.5	175	151	6.1
ELHI	130	129	5.4	124	123	4.8	152	150	5.3
COLLEGE	8	89	.3	8	89	.3	9	100	.3
OTHER	10	166	.4	11	183	.4	14	233	.5
STANDARDIZED TESTS	70	257	2.9	80	296	3.1	86	319	3.0
TOTAL	2412	237	100.0	2602	256	100.0	2851	281	100.0

With regard to the College Textbook estimate, the reader is referred to **Table G1** and the accompanying discussion.

TEXTBOOK SALES

The textbook-and-materials report is divided into three parts: this brief introductory section which provides industry sales estimates for both school and college publishing; followed by separate, detailed sales and operating data reports for school publishing (**Section F**, beginning on page F-3), and for college publishing (**Section G**, beginning on page G-1).

Total estimated industry textbook and materials sales are shown in **Table T1.** The estimates are based on reports from participating publishers and

(Text continued on page F-2)

TABLE T3 - ESTIMATED DOMESTIC INDUSTRY SALES OF TEXTBOOKS RELATED TO STUDENT ENROLLMENT

THOUSANDS OF STUDENTS AND DOLLARS

	ELEMENTARY					HIGH SCHOOL				
	ENROLLMENT			SALES ($)		ENROLLMENT			SALES ($)	
	PUBLIC	OTHER	TOTAL	TOTAL	PER CAPITA	PUBLIC	OTHER	TOTAL	TOTAL	PER CAPITA
1972	31845	3800	35645	301813	8.47	13909	1300	15209	170320	11.20
1977	29431	3600	33031	458122	13.87	14300	1400	15700	263762	16.80
1978	28208	3600	31808	511238	16.07	14480	1400	15880	282811	17.81
1979	28021	3700	31721	559782	17.64	14587	1400	15987	328759	20.56
1980	27884	3700	31584	564579	17.88	13695	1400	15095	327962	21.73
1981	27665	3629	31294	606682	19.39	13319	1400	14719	342560	23.27
1982	27116	3573	31692	642994	20.29	13054	1400	14454	358776	24.82
1983	27143	3501	30644	719473	23.48	12501	1400	13901	377074	27.13
1984	27010	3580	30590	764812	25.00	12480	1400	13880	471137	33.94

	ELHI					COLLEGE				
	ENROLLMENT			SALES ($)		ENROLLMENT		SALES ($)	PER CAPITA SALES ($)	
	PUBLIC	OTHER	TOTAL	TOTAL	PER CAPITA	FTE	TOTAL		FTE	TOTAL
1972	45754	5100	50854	472133	9.28	7255	9215	337003	46.45	36.57
1977	43731	5000	48731	721884	14.81	8397	11268	578433	68.88	51.33
1978	42688	5000	47688	794049	17.65	8303	11260	656580	79.07	58.31
1979	42608	5100	47708	888541	18.62	8486	11508	739008	87.08	64.22
1980	41579	5100	46679	892541	19.12	8489	11570	854292	100.64	73.84
1981	40984	5029	46013	949242	20.63	8916	12097	964343	108.16	79.72
1982	40170	4963	45133	1001771	22.20	9112	12367	1031267	113.18	83.39
1983	39643	4901	44544	1096547	24.62	9032	12426	1122564	124.29	90.34
1984	39490	4980	44470	1235949	27.79	8842	12351	1163814	131.62	94.23

With regard to the College Textbook estimate, the reader is referred to **Table G1** and the accompanying discussion.

(Text continued from page F-1)

on projections of the Census of Manufactures conducted by the U.S. Department of Commerce (See **Table S1**).

Table T2: Estimated Sales of Books and Materials in the Educational Market has not been prepared for 1984. The reader is referred to the 1982 Industry Statistics, and to such breakdowns in this volume as in Tables A3, B3, C2, G4, and G5.

Table T3 relates domestic textbook sales (i.e. in the fifty states and the District of Columbia) to enrollment data compiled for these areas by the National Center for Education Statistics and by the National Education Association. The enrollment figures for public elementary (K-8) and secondary (9-12) schools are actual for the most part, while those for private schools are estimated. The college figures are largely actual. All sales are estimated.

College enrollment data and per capita sales are shown both for full-time equivalent (FTE) students, as well as for **all** students enrolled in the fifty United States and the District of Columbia. Total college enrollments include resident and extension students in vocational and technical programs, and students in U.S. Service Schools. In the FTE data, part-time enrollments have been converted to full-time equivalency.

For state-by-state enrollment and sales data consult **Tables F5b and F6** for Elhi, and **Tables G7a and G7b** for College. Also see the text with those tables for details regarding the enrollment figures used and the assumptions employed in the development of estimated per capita sales.

SECTION F - SCHOOL (ELHI) PUBLISHERS AND DIVISIONS

Please refer to the GENERAL INSTRUCTIONS AND DEFINITIONS, and the specific instructions and definitions for this divisional survey in QUESTIONNAIRE FORM F (available on request from the AAP New York Office) to insure the correct interpretation of this report. Furthermore, the methodology used in gathering and reporting data, which is discussed in the INTRODUCTION should be reviewed for a full understanding of the tables and text.

Throughout this Report "Elementary" refers to Grades K through 8, and "High School" refers to Grades 9 through 12.

SALES DATA

Estimated industry sales of textbooks and materials, both Elhi and College, will be found in **Tables T1 and T3** on pages F-1 and F-2. All other Elhi reports are in this section. College statistics are in **Section G** beginning on page G-1.

Except for the information presented in **Tables T1 and T3,** and the estimated portions of **Tables F5b and F6, all data included in the tables are based on publishers actual reports and are not projected to industry totals.**

15 Elhi school textbook and materials publishers reported total 1984 sales of $647.6 million to this Survey. Of these sales, $429.9 million were in elementary and $217.7 million were in high school textbooks and materials. As the Elhi publishing industry enjoys total estimated book sales of $1310.7 million and audiovisual and related materials sales of $152.3 million for a combined estimated sales total of $1463.0 million (figures from **Table S1**), the reporting group **(Tables F1 and F2)** appears to represent some **44.3%** of this industry segment.

TABLE F1 - SALES OF ELEMENTARY TEXTBOOKS AND MATERIALS

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 13 PUBLISHERS

	1984		1983		PERCENT CHANGE		1984 DOLLARS PER UNIT			YOUR DATA
	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS	$-AVG.	AVG DOLLAR RNGE		
BOOKS (TOTAL)	420408	82465	378865	79213	11.0	4.1	5.10	3.00 TO	9.55	
TEXTBOOKS-HARDBOUND	198813	25663	176145	24589	12.9	4.4	7.75	4.01 TO	10.64	
TEXTBOOKS-PAPERBOUND	64877	15457	65794	17660	-1.4	-12.5	4.20	3.07 TO	9.56	
TEACHERS EDITIONS	9607	1743	8540	1650	12.5	5.6	5.51	3.17 TO	16.25	
WORKBOOKS	100454	33999	86906	31734	15.6	7.1	2.95	2.14 TO	4.00	
OBJECTIVE TESTS	17379	2107	15987	2237	8.7	-5.8	8.25	1.59 TO	21.96	
DUPLICATING MASTERS	12025	617	13092	723	-8.2	-14.7	19.49	14.41 TO	35.88	
TEACHING AIDS	17253	2879	12401	620	39.1	364.4	5.99	1.73 TO	38.00	
AUDIOVISUAL & OTHER MEDIA	4494	182	3790	136	18.6	33.8	24.69	8.87 TO	51.60	
MULTIMEDIA KITS	5032	186	5405	173	-6.9	7.5	27.05	11.64 TO	311.00	
TOTAL BOOKS & MATERIALS	429934	82834	388060	79522	10.8	4.2	5.19	4.01 TO	9.55	

TABLE F2 - SALES OF HIGH SCHOOL TEXTBOOKS AND MATERIALS

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 13 PUBLISHERS

	1984		1983		PERCENT CHANGE		1984 DOLLARS PER UNIT		YOUR DATA
	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS	$-AVG.	AVG DOLLAR RNGE	
BOOKS (TOTAL)	208876	25335	165259	21719	26.4	16.6	8.24	4.00 TO 12.72	
TEXTBOOKS-HARDBOUND	155142	13718	121639	11271	27.5	21.7	11.31	4.00 TO 14.25	
TEXTBOOKS-PAPERBOUND	12357	1990	9726	1964	27.1	1.3	6.21	3.07 TO 12.70	
TEACHERS EDITIONS	3036	411	1582	228	91.9	80.3	7.39	4.23 TO 9.39	
WORKBOOKS	32518	7484	28572	6966	13.8	7.4	4.35	2.14 TO 5.92	
OBJECTIVE TESTS	1623	955	1192	921	36.2	3.7	1.70	0.64 TO 31.88	
DUPLICATING MASTERS	1966	93	1677	85	17.2	9.4	21.14	9.46 TO 48.25	
TEACHING AIDS	2234	684	871	284	156.5	140.8	3.27	0.85 TO 75.00	
AUDIOVISUAL AND OTHER MEDIA	7400	182	2880	52	156.9	250.0	40.66	9.00 TO 165.50	
MULTIMEDIA KITS	1396	21	1076	10	29.7	110.0	66.48	5.85 TO 312.00	
TOTAL BOOKS & MATERIALS	217672	25538	169215	21781	28.6	17.2	8.52	4.00 TO 12.71	

TABLE F3 - SALES OF ELEMENTARY TEXTBOOKS AND MATERIALS-BY SUBJECT CATEGORIES

THOUSANDS OF DOLLARS - AS REPORTED BY 17 PUBLISHERS

	1984		1983		
	ALL SALES		ALL SALES		YOUR DATA
	TOTAL	PCT OF TOTAL	TOTAL	PCT OF TOTAL	
LANGUAGE ARTS					
READING	241766	37.0	234649	40.2	
LITERATURE	5842	0.9	5825	1.0	
ENGLISH	69687	10.7	46666	8.0	
SPELLING	32424	5.0	30137	5.2	
HANDWRITING	847	0.1	4715	0.8	
TOTAL LANGUAGE ARTS	350566	53.6	321992	55.1	
SCIENCE	54941	8.4	44938	7.7	
HEALTH	5317	0.8	3423	0.6	
SOCIAL STUDIES	63173	9.7	44879	7.7	
BASAL PROGRAMS K-6 K-6 OR K-8	42776	7.5	24445	5.2	
OTHER	12472	2.2	11870	2.5	
UNSPECIFIED	7925		8564		
MATHEMATICS	128312	19.6	121200	20.8	
MUSIC	13316	2.0	21207	3.6	
ART	156	0.0	140	0.0	
FOREIGN LANGUAGES	215	0.0	3052	0.5	
DICTIONARIES	5778	0.9	5411	0.9	
OTHER	32123	4.9	17669	3.0	
TOTAL	653897	100.0	583911	100.0	

TABLE F4 - SALES OF HIGH SCHOOL TEXTBOOKS AND MATERIALS-BY SUBJECT CATEGORIES

THOUSANDS OF DOLLARS - AS REPORTED BY 15 PUBLISHERS

	1984		1983		
	ALL SALES		ALL SALES		YOUR DATA
	TOTAL	PCT OF TOTAL	TOTAL	PCT OF TOTAL	
LITERATURE	17693	7.4	15286	8.2	
ENGLISH	22716	9.5	17576	9.4	
SCIENCE (TOTAL)	44541	18.5	37478	20.0	
BIOLOGY	9198	4.1	7870	4.6	
LIFE SCIENCE	285	0.1	1097	0.6	
EARTH SCIENCE	2151	1.0	1273	0.7	
PHYSICAL SCIENCE	5893	2.6	5110	3.0	
ALL OTHER	23859	10.7	19206	11.1	
SCI. EQUIPMENT/KITS	0	0.0	3	0.0	
UNSPECIFIED	3155		2919		
SOCIAL STUDIES (TOTAL)	36557	15.2	27386	14.6	
AMERICAN HISTORY	7551	4.5	5228	4.1	
WORLD HISTORY	6290	3.8	4263	3.4	
GEOGRAPHY	2965	1.8	1586	1.2	
OTHER	8441	5.1	7487	5.9	
UNSPECIFIED	11310		8822		
MATHEMATICS (TOTAL)	48822	20.3	34661	18.5	
ALGEBRA	23143	11.1	15042	9.5	
GEOMETRY	3529	4.1	4605	2.9	
ADVANCED MATH	3790	1.8	1896	1.2	
ALL OTHER	6771	3.3	7894	5.0	
UNSPECIFIED	6589		5224		
MUSIC	2	0.0	33	0.0	
ART	0	0.0	0	0.0	
FOREIGN LANGUAGES (TOT)	30113	12.5	19352	10.3	
SPANISH	11364	7.0	8696	7.1	
FRENCH	6704	4.1	1900	1.5	
OTHER	2200	1.4	2070	1.7	
UNSPECIFIED	9845		6686		
VOCATIONAL (TOTAL)	29551	12.3	26256	14.0	
BUSINESS EDUC. (TOT)	23825	9.9	18783	10.0	
TYPEWRITING	5537	2.3	4886	2.6	
SHORTHAND	4142	1.7	3849	2.1	
ACCOUNTING	2817	1.2	3253	1.7	
ALL OTHER	11289	4.7	6742	3.6	
UNSPECIFIED	38		53		
INDUSTRIAL ARTS	1801	0.7	3458	1.8	
HOME ECONOMICS	3477	1.4	3772	2.0	
OTHER	448	0.2	243	0.1	
DRIVER EDUCATION	1388	0.6	1631	0.9	
HEALTH	1270	0.5	1479	0.8	
DICTIONARIES	2078	0.9	4084	2.2	
OTHER	5597	2.3	2108	1.1	
TOTAL	240328	100.0	187330	100.0	

TABLE F5a - SALES OF ELHI TEXTBOOKS AND MATERIALS-BY GEOGRAPHICAL LOCATION

ACTUAL SALES - AS REPORTED BY 14 PUBLISHERS

	ACTUAL SALES OF TEXTBOOKS AND MATERIALS								
	ELHI			ELEMENTARY			HIGH SCHOOL		
	1984	1983	PCT-CHG	1984	1983	PCT-CHG	1984	1983	PCT-CHG
ALABAMA	9822	7012	40.1	5255	4745	10.7	3793	1515	150.4
ALASKA	2099	2044	2.7	1371	1443	-5.0	538	473	13.7
ARIZONA	11700	11087	5.5	6127	6461	-5.2	3784	3237	16.9
ARKANSAS	7367	5956	23.7	4825	3649	32.2	2098	1715	22.3
CALIFORNIA	98760	70223	40.6	56093	46950	19.5	29690	18600	59.6
COLORADO	9321	8292	12.4	5678	5287	7.4	2863	2411	18.7
CONNECTICUT	9854	9437	4.4	5517	5537	-0.4	3054	2769	10.3
DELAWARE	1485	1630	-8.9	818	950	-13.9	472	511	-7.6
DIST OF COLUMBIA	2041	2341	-12.8	1035	1266	-18.2	822	916	-10.3
FLORIDA	28140	25574	10.0	14980	13532	10.7	10151	8701	16.7
GEORGIA	19511	15595	25.1	9796	9459	3.6	6620	4797	38.0
HAWAII	3341	3072	8.8	1888	1831	3.1	1072	859	24.8
IDAHO	3576	2248	59.1	2023	1372	47.4	1315	725	81.4
ILLINOIS	43607	38568	13.1	25315	21197	19.4	11635	12225	-4.8
INDIANA	21328	16949	25.8	11533	11324	1.8	7140	4496	58.8
IOWA	9614	9501	1.2	5771	5783	-0.2	2849	2708	5.2
KANSAS	9795	7683	27.5	5780	4541	27.3	2809	2262	24.2
KENTUCKY	10441	12067	-13.5	6300	6729	-6.4	3412	4561	-25.2
LOUISIANA	13322	13928	-4.4	7940	8427	-5.8	4142	3955	4.7
MAINE	4180	3743	11.7	2427	2201	10.3	1351	1142	18.3
MARYLAND	10953	10267	6.7	5487	5315	3.2	4263	3680	15.8
MASSACHUSETTS	16628	15378	8.1	8590	8346	2.9	6190	5460	13.4
MICHIGAN	32514	28579	13.8	18264	16872	8.3	10530	8665	21.5
MINNESOTA	15302	14033	9.0	9481	9033	5.0	4456	3782	17.8
MISSISSIPPI	6505	6706	-3.0	3580	3882	-7.8	2444	2383	2.6
MISSOURI	22742	19435	17.0	13599	12131	12.1	6853	5588	22.6
MONTANA	3539	3295	7.4	2081	2112	-1.5	1056	830	27.2
NEBRASKA	5713	5418	5.4	3289	3267	0.7	1799	1648	9.2
NEVADA	2496	2320	7.6	1455	1325	9.8	877	793	10.6
NEW HAMPSHIRE	2900	2657	9.1	1607	1523	5.5	1040	896	16.1
NEW JERSEY	29031	28041	3.5	17939	17139	4.7	8638	7791	10.9
NEW MEXICO	4407	4921	-10.4	2156	2659	-18.9	1657	1452	14.1
NEW YORK	53128	44416	19.6	30581	27940	9.5	15239	11947	27.6
NORTH CAROLINA	9133	13259	-31.1	4000	5048	-20.8	4614	6072	-24.0
NORTH DAKOTA	3105	2605	19.2	1876	1606	16.8	871	770	13.1
OHIO	39054	34075	14.6	19715	18531	6.4	12290	10142	21.2
OKLAHOMA	9950	8019	24.1	4855	4055	19.7	3507	2903	20.8
OREGON	14912	15618	-4.5	8377	9406	-10.9	5557	5248	5.9
PENNSYLVANIA	32746	30609	7.0	18585	17638	5.4	10422	9307	12.0
RHODE ISLAND	2855	2821	1.2	1654	1718	-3.7	829	781	6.1
SOUTH CAROLINA	12984	11270	15.2	7789	8018	-2.9	4219	2323	81.6
SOUTH DAKOTA	3394	3111	9.1	2108	2087	1.0	956	791	20.9
TENNESSEE	13142	9272	41.7	5193	5572	-6.8	4887	2579	89.5
TEXAS	44902	36300	23.7	22705	17470	30.0	17404	11214	55.2
UTAH	5604	5030	11.4	2787	2712	2.8	2194	1817	20.7
VERMONT	1542	1469	5.0	918	904	1.5	518	451	14.9
VIRGINIA	15178	17765	-14.6	8524	10194	-16.4	5174	5516	-6.2
WASHINGTON	8888	7462	19.1	5091	4603	10.6	2666	2149	24.1

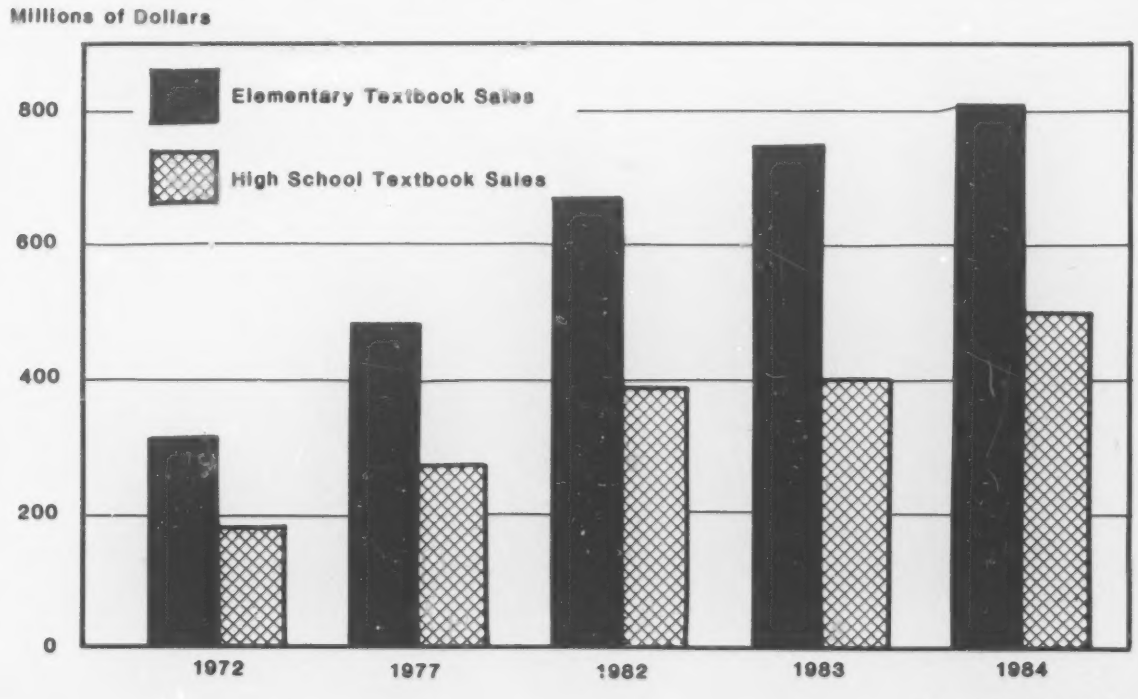
Continued on page F-7

TABLE F5a - SALES OF ELHI TEXTBOOKS AND MATERIALS-BY GEOGRAPHICAL LOCATION

Continued from page F-6

	ACTUAL SALES OF TEXTBOOKS AND MATERIALS								
	ELHI			ELEMENTARY			HIGH SCHOOL		
	1984	1983	PCT-CHG	1984	1983	PCT-CHG	1984	1983	PCT-CHG
WEST VIRGINIA	6454	6566	-1.7	3345	3962	-15.6	2217	1989	11.5
WISCONSIN	15862	14633	8.4	8458	8154	3.7	5190	4400	18.0
WYOMING	2933	2778	5.6	1913	1890	1.2	738	623	18.5
TOTAL DOMESTIC U.S.	767800	675078	13.7	426474	397796	7.2	248905	202568	22.9
P.R. & OTHER U.S. POSS.	7802	6353	22.8	1711	1664	2.8	1880	1571	19.7
CANADA	11061	5251	110.6	7164	2802	155.7	3622	2126	70.4
EUROPE	2924	3009	-2.8	1700	1570	8.3	501	440	13.9
OTHER FOREIGN (TOTAL)	11219	9246	21.3	8237	6687	23.2	2016	1519	32.7
NEAR & MID-EAST & AFR	2632	2126	23.8	1747	1444	21.0	475	251	89.2
LATIN AMERICA	6337	5083	24.7	5047	3991	26.5	960	831	15.5
AUSTRALASIA	2250	2037	10.5	1443	1252	15.3	581	437	33.0
FOREIGN NOT DETAILED	5764	5803	-0.7	3787	5192	-27.1	1972	567	247.8
TOTAL FOREIGN	30966	23309	32.8	20887	16251	28.5	8110	4652	74.3
ALL SALES	806568	704740	14.4	449072	415711	8.0	258895	208791	24.0

FIGURE F1 - ESTIMATED ELHI TEXTBOOK NET SALES 1972, 1977, 1982-84



Data from Table T1

TABLE F5b - ESTIMATED INDUSTRY SALES OF ELHI TEXTBOOKS-BY GEOGRAPHICAL LOCATION

ESTIMATED INDUSTRY SALES (TEXTBOOKS ONLY) - THOUSANDS OF DOLLARS

	ELEMENTARY		HIGH SCHOOL		ELHI				
	1984	1983	1984	1983	1984		1983		1966-68 (1)
					$	INDEX	$	INDEX	
ALABAMA	6155	5788	7182	4502	13337	281	10290	217	4751
ALASKA	2520	2669	1345	1114	3865	652	3783	638	593
ARIZONA	12190	12938	7961	6417	20151	548	19355	527	3675
ARKANSAS	8356	7242	2851	2196	11207	352	9438	297	3182
CALIFORNIA	95619	78365	52273	32333	147892	616	110698	461	23989
COLORADO	10425	9766	6251	4962	16676	397	14728	414	4196
CONNECTICUT	10168	10272	5672	4845	15840	240	15117	229	6610
DELAWARE	1734	1924	1289	1316	3023	255	3240	273	1187
DISTRICT OF COLUMBIA	2675	2961	1421	1493	4096	209	4454	228	1956
FLORIDA	31919	30015	19912	16077	51831	478	46092	425	10837
GEORGIA	15691	15239	14327	10774	30018	356	26013	309	8428
HAWAII	3772	3681	2197	1777	5969	374	5458	342	1595
IDAHO	3065	2493	1380	843	4445	266	3336	200	1672
ILLINOIS	43123	38431	26062	25795	69185	247	64226	229	28033
INDIANA	17002	16805	10129	6856	27131	248	23661	217	10919
IOWA	10902	10991	5508	4933	16410	211	15924	205	7769
KANSAS	10283	8753	5163	3917	15446	286	12670	235	5393
KENTUCKY	14612	15707	4259	4591	18871	285	20298	306	6631
LOUISIANA	12150	12978	7488	6739	19638	219	19717	220	8971
MAINE	4113	3752	2177	1734	6290	269	5486	234	2342
MARYLAND	9716	9473	9020	7339	18736	254	16812	228	7386
MASSACHUSETTS	14897	14567	10488	8714	25385	216	23281	198	11738
MICHIGAN	28761	26720	21554	16715	50315	247	43435	213	20373
MINNESOTA	16417	15731	7803	6241	24220	254	21972	230	9535
MISSISSIPPI	6761	7378	3943	3621	10704	211	10999	217	5072
MISSOURI	21464	19265	11491	8831	32955	288	28096	246	11427
MONTANA	3431	3505	2028	1502	5459	298	5007	273	1833
NEBRASKA	5696	5691	3482	3005	9178	258	8696	244	3558
NEVADA	2780	2547	1571	1338	4351	409	3885	365	1063
NEW HAMPSHIRE	2614	2493	2399	1947	5013	317	4440	281	1580
NEW JERSEY	30649	29454	15967	13566	46616	309	43020	285	15083
NEW MEXICO	4717	5244	3685	3043	8402	302	8287	281	2785
NEW YORK	57281	52634	35599	26288	92880	222	78922	189	41866
NORTH CAROLINA	12979	18661	10077	15099	23056	235	23760	243	9795
NORTH DAKOTA	3272	2961	1737	1447	5009	290	4408	255	1726
OHIO	34473	32600	19491	15153	53964	275	47753	244	19597
OKLAHOMA	8375	11679	7648	9351	16023	298	21030	392	5370
OREGON	12051	12831	6948	6182	18999	510	19013	510	3726
PENNSYLVANIA	33257	31748	19981	16810	53238	226	48558	206	23556
RHODE ISLAND	3206	3350	1936	1720	5142	257	5070	253	2001
SOUTH CAROLINA	16958	17573	4817	3224	21775	318	20797	303	6856
SOUTH DAKOTA	3784	3769	2271	1770	6055	345	5539	315	1756
TENNESSEE	7556	7314	10747	5603	18303	249	12917	176	7356
TEXAS	46950	41078	34932	24061	81382	341	65139	271	24011
UTAH	5398	5283	2785	2174	8183	322	7457	293	2542
VERMONT	1465	1452	935	767	2400	232	2219	215	1033
VIRGINIA	14582	15983	9668	9712	24250	259	25695	275	9354
WASHINGTON	14465	13159	5662	4299	20127	331	17458	287	6078

Continued on page F-9

TABLE F5b - ESTIMATED INDUSTRY SALES OF ELHI TEXTBOOKS-BY GEOGRAPHICAL LOCATION

Continued from page F-8

	ELEMENTARY		HIGH SCHOOL		ELHI				
	1984	1983	1984	1983	1984		1983		1966-68 (1)
					$	INDEX	$	INDEX	
WEST VIRGINIA	5546	6214	5776	4881	11322	302	11095	296	3753
WISCONSIN	15989	15514	10276	8206	26265	257	23720	233	10202
WYOMING	2848	2832	1573	1251	4421	566	4083	523	781
TOTAL DOMESTIC U.S.	764812	719473	471137	377074	1235949	297	1096547	264	415521
P.R. & OTHER U.S. POSS.	3890	3807	1956	1540	5846	271	5347	247	2161
CANADA	22553	12759	20350	14183	42903	479	26942	301	3965
EUROPE	4528	4207	3184	2634	7712	505	6841	448	1528
ALL OTHER	14795	12083	4057	2881	18852	262	14964	208	7192
TOTAL FOREIGN	41876	29049	27591	19698	69467	393	48747	276	17685
TOTAL OUTSIDE U.S.	45766	32856	29547	21238	75313	379	54094	273	19846
ALL SALES	810579	752329	500684	398312	1311262	301	1150641	264	435367

TABLE F6 - GEOGRAPHICAL ANALYSIS OF ESTIMATED INDUSTRY SALES OF ELHI TEXTBOOKS

THOUSANDS OF STUDENTS AND DOLLARS

	EST. INDUSTRY SALES ($)		PERCENT OF TOTAL SALES		ENROLLMENT		SALES PER CAPITA ($)		RANK IN PER CAPITA SALES	
	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983
ALABAMA	13337	10290	1.08	.94	795	789	16.78	13.04	51	51
ALASKA	3865	3783	.31	.34	96	95	40.26	39.82	3	4
ARIZONA	20151	19355	1.63	1.77	595	589	33.87	32.86	10	8
ARKANSAS	11207	9438	.91	.86	447	446	25.07	21.16	40	43
CALIFORNIA	147892	110698	11.97	10.10	4708	4638	31.41	23.87	14	33
COLORADO	16676	14728	1.35	1.34	582	579	28.65	25.44	24	26
CONNECTICUT	15840	15117	1.28	1.38	566	581	27.99	26.02	27	25
DELAWARE	3023	3240	.24	.30	115	115	26.29	28.17	32	20
DISTRICT OF COLUMBIA	4096	4454	.33	.41	109	111	37.58	40.13	6	2
FLORIDA	51831	46092	4.19	4.20	1745	1713	29.70	26.91	21	24
GEORGIA	30018	26013	2.43	2.37	1138	1140	26.38	22.82	31	34
HAWAII	5969	5458	.48	.50	203	201	29.40	27.15	22	23
IDAHO	4445	3336	.36	.30	214	212	20.77	15.74	47	49
ILLINOIS	69185	64226	5.60	5.86	2212	2226	31.28	28.85	15	14
INDIANA	27131	23661	2.20	2.16	1078	1090	25.17	21.71	38	41
IOWA	16410	15924	1.33	1.45	546	554	30.05	28.74	19	17
KANSAS	15446	12670	1.25	1.16	441	440	35.02	28.80	8	16
KENTUCKY	18871	20298	1.53	1.85	719	722	26.25	28.11	33	22
LOUISIANA	19638	19717	1.59	1.80	942	944	20.85	20.89	46	45
MAINE	6290	5486	.51	.50	224	226	28.08	24.27	25	31

Continued on page F-10

TABLE F6 - GEOGRAPHICAL ANALYSIS OF ESTIMATED INDUSTRY SALES OF ELHI TEXTBOOKS

Continued from page F-9

	EST. INDUSTRY SALES ($)		PERCENT OF TOTAL SALES		ENROLLMENT		SALES PER CAPITA ($)		RANK IN PER CAPITA SALES	
	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983
MARYLAND	18736	16812	1.52	1.53	785	796	23.87	21.12	43	44
MASSACHUSETTS	25385	23281	2.05	2.12	1027	1028	24.72	22.65	41	35
MICHIGAN	50315	43435	4.07	3.96	1935	1927	26.00	22.54	34	37
MINNESOTA	24220	21972	1.96	2.00	768	774	31.54	28.39	13	19
MISSISSIPPI	10704	10999	.87	1.00	510	513	20.99	21.44	45	42
MISSOURI	32955	28096	2.67	2.56	931	933	35.40	30.11	7	13
MONTANA	5459	5007	.44	.46	163	162	33.49	30.91	11	10
NEBRASKA	9178	8696	.74	.79	307	309	29.90	28.14	20	21
NEVADA	4351	3885	.35	.35	159	158	27.36	24.59	29	28
NEW HAMPSHIRE	5013	4440	.41	.40	181	181	27.70	24.53	28	30
NEW JERSEY	46616	43020	3.77	3.92	1359	1396	34.30	30.82	9	11
NEW MEXICO	8402	8287	.68	.76	279	289	30.11	28.67	17	18
NEW YORK	92880	78922	7.51	7.20	3209	3252	28.94	24.27	23	32
NORTH CAROLINA	23056	23760	1.87	2.17	1146	1152	20.12	20.62	50	47
NORTH DAKOTA	5009	4408	.41	.40	129	127	38.83	34.71	5	7
OHIO	53964	47753	4.37	4.35	2088	2113	25.84	22.60	35	36
OKLAHOMA	16023	21030	1.30	1.92	603	605	26.57	34.76	30	6
OREGON	18999	19013	1.54	1.73	476	476	39.91	39.94	4	3
PENNSYLVANIA	53238	48558	4.31	4.43	2123	2168	25.08	22.40	39	39
RHODE ISLAND	5142	5070	.42	.46	165	168	31.16	30.18	16	12
SOUTH CAROLINA	21775	20797	1.76	1.90	653	654	33.35	31.80	12	9
SOUTH DAKOTA	6055	5539	.49	.51	135	135	44.85	41.03	1	1
TENNESSEE	18303	12917	1.48	1.18	896	903	20.43	14.30	49	50
TEXAS	81882	65139	6.62	5.94	3209	3156	25.52	20.64	36	46
UTAH	8183	7457	.66	.68	396	384	20.66	19.42	48	48
VERMONT	2400	2219	.19	.20	100	99	24.00	22.41	42	38
VIRGINIA	24250	25695	1.96	2.34	1045	1046	23.21	24.57	44	29
WASHINGTON	20127	17458	1.63	1.59	798	793	25.22	22.02	37	40
WEST VIRGINIA	11322	11095	.92	1.01	376	385	30.11	28.82	18	15
WISCONSIN	26265	23720	2.13	2.16	938	947	28.00	25.05	26	27
WYOMING	4421	4083	.36	.37	106	104	41.71	39.26	2	5
TOTAL DOMESTIC U.S.	1235949	1096547	100.00	100.00	44470	44544	27.79	24.62		

OPERATING DATA

Data are shown by size of publisher **(Tables F7 through F14). Table F7** is a summary table offering a composite income statement of the reporting publishers. The remaining tables detail specific expense areas.

While encouraged to furnish sales data on a calendar year basis, publishers were given the option of supplying operating information on a fiscal year basis. 7 publishers exercised this option. The months terminating their reporting year are listed below, together with the number of publishers for each such period:

April - 5
May - 1
November - 1

In addition to the operating data shown in **Table F7**, the publishers were asked to report the level of royalty advances carried on their balance sheets at reporting year-end. 10 publishers responded, reporting Total Advances of $5.1 million. As these publishers enjoy net sales of $572.2 million, the advances represent 0.9% of net sales.

9 Publishers, with net sales of $516.1 million, reported a Total Reserve For Returns on their balance sheets at year-end of $10.1 million, representing 2.0% of their net sales. This contrasted with a beginning of reporting year reserve of $9.6 million.

TABLE F7 - OPERATING DATA OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 15 PUBLISHERS

	ALL PUBLISHERS						YOUR DATA	
	1984			1983				
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE		
GROSS SALES	907175	103.2	101.9 TO 104.2	813051	103.2	102.0 TO 104.1		
RETURNS & ALLOWANCES	27709	3.2	1.9 TO 4.2	25557	3.2	2.0 TO 4.1		
NET SALES	879466	100.0	100.0 TO 100.0	787494	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	199682	22.7	21.5 TO 24.6	186653	23.8	22.7 TO 25.9		
ROYALTIES	46308	5.3	4.1 TO 6.9	40042	5.1	4.4 TO 6.9		
PLANT COSTS	45357	5.2	4.3 TO 8.1	44401	5.7	5.3 TO 8.8		
TOTAL COST OF SALES	291348	33.1	33.3 TO 36.8	271096	34.4	33.9 TO 39.2		
GROSS MARGIN ON SALES	588118	66.9	63.2 TO 66.7	516398	65.6	60.8 TO 66.1		
OTHER INCOME (TOTAL)	4545	0.5	0.2 TO 1.1	5812	0.7	0.2 TO 1.2		
GENERAL	3253	0.4	0.1 TO 0.8	3661	0.5	0.2 TO 1.0		
FROM FOREIGN SUBSIDS.	995	0.1	0.0 TO 1.7	1264	0.2	0.1 TO 2.1		
UNSPECIFIED	297			887				
PUBLISHING & OPERATING EXPENSES								
EDITORIAL	54643	6.2	4.5 TO 7.1	43889	5.6	4.1 TO 7.6		
PRODUCTION	21754	2.5	1.6 TO 3.0	17332	2.2	1.3 TO 2.2		
MARKETING	213049	24.2	21.9 TO 30.6	183085	23.2	21.5 TO 27.4		
FULFILLMENT	63774	7.3	6.4 TO 8.1	58958	7.5	6.1 TO 8.3		
GENERAL & ADMIN.	67132	7.6	6.0 TO 10.3	72971	9.3	7.8 TO 13.2		
TOTAL PUBL. & OPERATING EXPENSE	420354	47.8	46.2 TO 57.5	376235	47.8	44.8 TO 54.6		
NET INCOME FROM OPERATIONS*	172309	19.6	10.4 TO 24.8	145975	18.5	7.8 TO 21.6		

Continued on page F-12

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

TABLE F7 - OPERATING DATA OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page F-11

	4 PUBLISHERS WITH NET SALES BELOW $30 MILLION							
	1984			1983			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE		
GROSS SALES	93755	103.6	101.9 TO 105.9	85603	104.4	102.1 TO 107.9		
RETURNS & ALLOWANCES	3245	3.6	1.9 TO 5.9	3626	4.4	2.1 TO 7.9		
NET SALES	90510	100.0	100.0 TO 100.0	81977	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	24226	26.8	24.6 TO 29.6	20764	25.3	22.9 TO 29.0		
ROYALTIES	5672	6.3	3.6 TO 9.5	4886	6.0	4.9 TO 7.7		
PLANT COSTS	6446	7.1	5.7 TO 8.9	8200	10.0	7.6 TO 12.9		
TOTAL COST OF SALES	36344	40.2	34.2 TO 47.9	33850	41.3	36.0 TO 49.6		
GROSS MARGIN ON SALES	54166	59.8	52.1 TO 65.8	48127	58.7	50.4 TO 64.0		
OTHER INCOME (TOTAL)	2318	2.6	0.6 TO 5.3	1845	2.3	0.3 TO 5.4		
GENERAL	2315	2.6	0.6 TO 5.3	1774	2.2	0.3 TO 5.1		
FROM FOREIGN SUBSIDS.	3	0.0		71	0.1			
UNSPECIFIED	0			0				
PUBLISHING & OPERATING EXPENSES								
EDITORIAL	6877	7.6	4.7 TO 11.5	4437	5.4	4.1 TO 6.8		
PRODUCTION	2812	3.1	1.6 TO 4.7	2531	3.1	1.7 TO 5.0		
MARKETING	27274	30.1	26.2 TO 32.8	22918	28.0	27.1 TO 30.1		
FULFILLMENT	6276	6.9	4.1 TO 9.1	5126	6.3	3.9 TO 8.2		
GENERAL & ADMIN.	8270	9.1	7.5 TO 11.4	9517	11.6	8.5 TO 15.4		
TOTAL PUBL. & OPERATING EXPENSE	51511	56.9	49.5 TO 61.7	44529	54.3	49.4 TO 58.0		
NET INCOME FROM OPERATIONS*	4973	5.5	-19.4 TO 26.6	5443	6.6	-2.3 TO 14.9		

Continued on page F-13

* Please see corresponding note on page F-11.

TABLE F7 - OPERATING DATA OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page F-12

	7 PUBLISHERS WITH NET SALES $30 TO $80 MILLION							
	1984			1983			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE		
GROSS SALES	380119	103.5	101.9 TO 106.3	342451	103.9	102.1 TO 106.5		
RETURNS & ALLOWANCES	12976	3.5	1.9 TO 6.3	12807	3.9	2.1 TO 6.5		
NET SALES	367143	100.0	100.0 TO 100.0	329644	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	80890	22.1	20.0 TO 23.6	78666	24.0	21.6 TO 25.9		
ROYALTIES	21505	5.9	4.8 TO 7.4	19163	5.8	4.8 TO 7.0		
PLANT COSTS	22989	6.3	4.3 TO 8.1	21112	6.4	4.8 TO 7.8		
TOTAL COST OF SALES	125384	34.2	33.3 TO 36.8	118941	36.1	35.2 TO 39.2		
GROSS MARGIN ON SALES	241759	65.8	63.2 TO 66.7	210703	63.9	60.8 TO 64.8		
OTHER INCOME (TOTAL)	1600	0.4	0.2 TO 0.7	3137	1.0	0.3 TO 1.4		
GENERAL	535	0.1	0.1 TO 0.3	1431	0.5	0.1 TO 0.8		
FROM FOREIGN SUBSIDS.	932	0.3		1193	0.4			
UNSPECIFIED	133			513				
PUBLISHING & OPERATING EXPENSES								
EDITORIAL	21571	5.9	4.3 TO 6.7	17096	5.2	3.7 TO 7.8		
PRODUCTION	7286	2.0	1.7 TO 2.5	5152	1.6	1.2 TO 2.0		
MARKETING	92505	25.2	20.6 TO 27.3	78402	23.8	21.5 TO 25.4		
FULFILLMENT	27312	7.4	6.4 TO 9.2	25040	7.6	5.5 TO 8.3		
GENERAL & ADMIN.	31197	8.5	4.9 TO 12.1	36589	11.1	8.2 TO 13.4		
TOTAL PUBL. & OPERATING EXPENSE	179871	49.0	46.3 TO 53.0	162279	49.2	44.3 TO 51.4		
NET INCOME FROM OPERATIONS*	63488	17.3	12.4 TO 20.7	51561	15.6	7.8 TO 20.0		

Continued on page F-14

* Please see corresponding note on page F-11.

TABLE F7 - OPERATING DATA OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page F-13

	4 PUBLISHERS WITH NET SALES ABOVE $80 MILLION							
	1984			1983			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE		
GROSS SALES	433301	102.7	101.4 TO 103.9	384997	102.4	101.4 TO 103.2		
RETURNS & ALLOWANCES	11488	2.7	1.4 TO 3.9	9124	2.4	1.4 TO 3.2		
NET SALES	421813	100.0	100.0 TO 100.0	375873	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	94566	22.4	21.1 TO 23.2	87223	23.3	21.7 TO 24.2		
ROYALTIES	19131	4.5	3.4 TO 5.5	15993	4.3	3.4 TO 5.0		
PLANT COSTS	15922	3.8	4.4 TO 6.0	15089	4.0	4.3 TO 5.6		
TOTAL COST OF SALES	129620	30.7	27.0 TO 33.5	118305	31.5	27.9 TO 34.5		
GROSS MARGIN ON SALES	292193	69.3	66.5 TO 73.0	257568	68.5	65.5 TO 72.1		
OTHER INCOME (TOTAL)	627	0.1	0.1 TO 0.2	830	0.2	0.2 TO 0.3		
GENERAL	403	0.1	0.1 TO 0.2	456	0.2			
FROM FOREIGN SUBSIDS.	60	0.0		0	0.0			
UNSPECIFIED	164			374				
PUBLISHING & OPERATING EXPENSES								
EDITORIAL	26195	6.2	4.7 TO 8.3	22356	5.9	4.6 TO 8.2		
PRODUCTION	11656	2.8	1.4 TO 5.3	9649	2.6	1.2 TO 5.3		
MARKETING	93270	22.1	20.6 TO 24.3	81765	21.8	20.4 TO 23.8		
FULFILLMENT	30186	7.2	5.9 TO 8.0	28792	7.7	6.4 TO 9.4		
GENERAL & ADMIN.	27665	6.6	5.1 TO 7.6	26865	7.1	6.0 TO 8.6		
TOTAL PUBL. & OPERATING EXPENSE	188972	44.8	41.4 TO 49.2	169427	45.1	42.3 TO 49.1		
NET INCOME FROM OPERATIONS*	103848	24.6	23.9 TO 25.3	88971	23.7	21.8 TO 25.3		

* Please see corresponding note on page F-11.

TABLE F8 - INVENTORY DATA OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 14 PUBLISHERS
WITH TOTAL NET SALES OF $786,341,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES BELOW $30 MILLION		7 PUBLISHERS NET SALES $30-$80 MILLION		3 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
BEGINNING INVENTORY	171960	21.9	23791	26.3	83131	22.6	65039	19.8		
PURCHASES	227290	28.9	27783	30.7	105679	28.8	93828	28.5		
COST OF FREE COPIES	37334	4.7	4847	5.4	18760	5.1	13727	4.2		
WRITE DOWNS	16937	2.2	8291	9.2	5908	1.6	2738	0.8		
ENDING INVENTORY AFTER WRITE DOWNS	183785	23.4	22500	24.9	89159	24.3	72126	21.9		
PAPER, PRINTING, BINDING & DUPL. COST OF PRODUCTS SOLD, INCLUDING WRITEDOWNS	178131	22.7	24226	26.8	80890	22.0	73014	22.2		

Based on the data in **Table F8**, the inventory turnover of all reporting publishers is 1.0; that of publishers with sales up to $30 million is also 1.0; that of publishers with net sales $30 to $80 million is 0.9; and that of publishers with net sales above $80 million is 1.1.

TABLE F9 - CASH PLANT EXPENDITURES OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 13 PUBLISHERS
WITH TOTAL NET SALES OF $747,109,000

	ALL PUBLISHERS		3 PUBLISHERS NET SALES BELOW $30 MILLION		7 PUBLISHERS NET SALES $30-$80 MILLION		3 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
CASH PLANT EXPENDITURES	74898	10.0	3730	7.3	30721	8.4	40447	12.3		

Table F9 details Cash Plant Expenditures. Since plant costs in **Table F7** are reported on an accrual basis and subject, therefore to varying treatment (amortization, write-off, inventory inclusion, etc.) depending on individual publisher's policies, valid comparison of a given publisher's experience with the composite figure becomes difficult. However, by reporting plant expenditures on a cash basis (i.e. actual monies spent during the year not related to books sold or to amortization of amounts previously expended) all reporting companies are, at least, placed on the same footing. By relating the expenditures to these publishers' net sales, a yardstick for comparison is established, even though no true (i.e. accrual) relationship exists between the cash amounts spent and the sales consummated during the year.

To provide an added perspective on the accrual figure reported in **Table F7**, publishers were asked to report their method of treating plant costs:

Amortized - 12 publishers
- Over 3 years - 2 publishers
- Over 4 years - 1 publisher
- Over 5 years - 4 publishers
- Over 5-7 yrs - 1 publisher
- Over 6 years - 2 publishers
- Over 7 years - 1 publisher
- Amortized separately, parallel to sales of the first printing - 1 publisher

Expensed as incurred - 3 publishers

(Text continued bottom of page F-16)

TABLE F10a - EDITORIAL EXPENSE OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 16 PUBLISHERS
WITH TOTAL NET SALES OF $887,571,000

	ALL PUBLISHERS		5 PUBLISHERS NET SALES BELOW $30 MILLION		7 PUBLISHERS NET SALES $30-$80 MILLION		4 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
EDITORIAL EXPENSE										
SALARIES	31013	3.9	4280	4.3	11977	3.3	14756	4.5		
BENEFITS	6039	0.8	697	0.7	1993	0.5	3344	1.0		
OUTSIDE EDITORIAL EXP	12283	1.5	1737	1.8	4595	1.3	5951	1.8		
TRAVEL & ENTERTAINMNT	1971	0.2	116	0.1	814	0.2	1041	0.3		
OTHER	3792	0.5	501	0.5	2188	0.6	1103	0.3		
TOTAL EDITORIAL EXPENSE	55098	6.9	7332	7.4	21571	5.9	26195	8.0		

TABLE F10b - PRODUCTION EXPENSE OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 16 PUBLISHERS
WITH TOTAL NET SALES OF $887,571,000

	ALL PUBLISHERS		5 PUBLISHERS NET SALES BELOW $30 MILLION		7 PUBLISHERS NET SALES $30-$80 MILLION		4 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
PRODUCTION EXPENSE										
SALARIES	9512	1.1	1868	1.9	4397	1.2	3248	0.8		
BENEFITS	1844	0.2	204	0.2	818	0.2	822	0.2		
OUTSIDE PRODUCTION EXPENSE	5049	0.6	2096	2.1	1076	0.3	1877	0.4		
OTHER	3451	1.0	1746	1.8	996	0.3	5709	1.4		
TOTAL PRODUCTION EXPENSE	24856	2.8	5914	6.0	7286	2.0	11656	2.8		

Text continued from page F-15

While the publishers reporting treatment policies are not wholly identical to those reporting accrued plant costs in **Table F7**, there is sufficient similarity to make the two groups comparable.

11 publishers with net sales of $703.9 million reported carrying $124.5 million in unamortized plant costs on their year-end balance sheets. $12.1 million involved unpublished, and $32.1 million involved published titles, while $80.3 million were reported unspecified.

TABLE F11 - MARKETING EXPENSE OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 15 PUBLISHERS
WITH TOTAL NET SALES OF $879,466,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $30 MILLION		7 PUBLISHERS NET SALES $30-$80 MILLION		4 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
SELLING EXPENSE										
SALESMEN'S SALARIES & COMMISSIONS	45109	5.2	6390	8.4	19680	5.4	19039	4.5		
SALESMEN'S BENEFITS	7196	0.8	934	1.2	2900	0.8	3361	0.8		
SALESMEN'S TRAVEL & ENTERTAINMENT	18734	2.2	1981	2.6	8562	2.3	8192	1.9		
STAFF CONSULTANTS' SAL. & COMMISSIONS	6902	0.8	202	0.3	2661	0.7	4039	1.0		
STAFF CONSULTANTS' BENEFITS	1222	0.1	35	0.0	375	0.1	812	0.2		
STAFF CONSULTANTS' TRAVEL & ENTERTMNT	3832	0.4	66	0.1	1452	0.4	2314	0.5		
OUTSIDE CONSULTANTS' EXPENSE	2174	0.3	295	0.4	1242	0.3	638	0.2		
DEPARTMENTAL MANAGERS SALARIES	9831	1.1	1172	1.5	5211	1.4	3448	0.8		
DEPARTMENTAL MANAGERS BENEFITS	1454	0.2	201	0.3	588	0.2	665	0.2		
DEPARTMENTAL CLERICAL SALARIES	4452	0.5	175	0.2	2382	0.6	1895	0.4		
DEPARTMENTAL CLERICAL BENEFITS	1017	0.1	53	0.1	474	0.1	490	0.1		
DEPARTMENTAL TRAVEL & ENTERTAINMENT	4855	0.6	531	0.7	3066	0.8	1259	0.3		
OTHER	19926	2.3	2449	3.2	4136	1.1	13341	3.2		
TOTAL SELLING EXPENSE	126705	14.7	14483	19.1	52729	14.4	59492	14.1		
PROMOTION EXPENSE										
DEPARTMENTAL SALARIES	7043	0.8	492	0.6	2651	0.7	3900	0.9		
DEPARTMENTAL BENEFITS	2270	0.3	90	0.1	1021	0.3	1159	0.3		
SPACE ADVERTISING	4085	0.5	1411	1.9	1831	0.5	844	0.2		
CATALOGS, DIRECT MAIL & SELLING MATER'LS	14892	1.7	1272	1.7	7271	2.0	6349	1.5		
FREE COPIES (TOTAL)	42413	4.9	4230	5.6	22305	6.1	15879	3.8		
COST OF FREE COPIES	35629	4.2	3240	5.1	19164	5.2	13225	3.1		
POSTAGE	6124	0.7	329	0.5	3141	0.9	2653	0.6		
UNSPECIFIED	661		661		0		0			
EXHIBITS	3432	0.4	228	0.3	1875	0.5	1328	0.3		
OTHER	8754	1.0	1612	2.1	2822	0.8	4320	1.0		
TOTAL PROMOTION EXPENSE	82890	9.6	9335	12.3	39777	10.8	33779	8.0		
TOTAL MARKETING EXPENSE	209595	24.2	23818	31.4	92505	25.2	93270	22.1		

TABLE F12 - FULFILLMENT EXPENSE OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS

REPORTED BY 11 PUBLISHERS WITH TOTAL NET SALES OF $125,815,000 USING SPLIT FACILITIES	ALL PUBLISHERS		2 PUBLISHERS NET SALES UP TO $30 MILLION		6 PUBLISHERS NET SALES $30-$80 MILLION		3 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
INTERNAL FULFILLMENT EXPENSES										
ORDER PROCESSING AND CUSTOMER SERVICE										
SALARIES (TOTAL)	9063	1.3			4264	1.3	4388	1.3		
ACC'TS RECEIVABLE & CREDIT CONTRL	2002	0.3			759	0.2	1179	0.4		
ORDER PROC. & CUST SERV. SALARIES	5906	0.9			3207	1.0	2352	0.7		
OTHER	1155	0.2			298	0.1	857	0.3		
BENEFITS	2361	0.3			931	0.3	1359	0.4		
EDP/SYSTEMS EXPENSE	6034	0.9			2538	0.8	3223	1.0		
OTHER (INCL EQUIPMENT AND SUPPLIES)	1456	0.2			957	0.3	550	0.2		
TOTAL ORDER PROCESSING	18913	2.7			8590	2.7	9520	2.9		
SHIPPING & WAREHOUSING										
SALARIES	10432	1.5			5534	1.7	4399	1.3		
BENEFITS	2495	0.4			1156	0.4	1252	0.4		
OCCUPANCY	5744	0.8			2624	0.8	2766	0.8		
EQUIPMENT & SUPPLIES	3245	0.5			1501	0.5	1473	0.4		
TRANSPORTATION CHRGES	4447	0.6			2339	0.7	1809	0.6		
OTHER	-763	-0.1			-604	-0.2	-172	-0.1		
TOTAL SHIPPING AND WAREHOUSING	25601	3.7			12551	3.9	11526	3.5		
TOTAL INTERNAL FULFILLMENT EXP.	44514	6.4			21141	6.6	21046	6.4		
EXTERNAL FULFILLMENT EXPENSE										
ORDER PROCESSING	0	0.0			0	0.0	0	0.0		
SHIPPING & WAREHOUS'G	16	0.0			0	0.0	0	0.0		
DEPOSITORY EXPENSE	10410	1.5			5391	1.7	4128	1.3		
TOTAL EXTERNAL FULFILLMENT EXP.	10427	1.5			5391	1.7	4128	1.3		
TOTAL FULFILLMENT EXP. OF PUBLISHERS WITH SPLIT FACILITIES	54941	7.9			26531	8.3	25174	7.7		

Data for the "Under $30 Million" category have been supressed to prevent disclosure.

TABLE F13 - GENERAL AND ADMINISTRATIVE EXPENSE OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 13 PUBLISHERS
WITH TOTAL NET SALES OF $763,551,000

	ALL PUBLISHERS		3 PUBLISHERS NET SALES UP TO $30 MILLION		7 PUBLISHERS NET SALES $30-$80 MILLION		3 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
MANAGEMENT SALARIES	5743	0.8	1267	1.9	3037	0.8	1440	0.4		
MANAGEMENT BENEFITS	940	0.1	393	0.6	286	0.1	261	0.1		
ACCOUNTING SALARIES	4568	0.6	481	0.7	2622	0.7	1464	0.4		
ACCOUNTING BENEFITS	1129	0.1	293	0.4	431	0.1	405	0.1		
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	6092	0.8	486	0.7	3190	0.9	2415	0.7		
GENERAL OFFICE BENEFITS	1394	0.2	274	0.4	488	0.1	632	0.2		
GENERAL TRAVEL & ENT.	1271	0.2	173	0.3	665	0.2	433	0.1		
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	3825	0.5	139	0.2	1482	0.4	2204	0.7		
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	11694	1.5	871	1.3	5773	1.6	5050	1.5		
TAXES (EXCEPT PAYROLL & INCOME TAXES)	1955	0.3	162	0.2	1370	0.4	423	0.1		
PERSONAL PROPERTY TAX	1554	0.2	61	0.1	1265	0.3	227	0.1		
ALL OTHER TAXES	392	0.1	100	0.1	105	0.0	187	0.1		
UNSPECIFIED	9		0		0		9			
OTHER	19363	2.5	1721	2.5	11853	3.2	5789	1.8		
TOTAL GENERAL AND ADMINISTRATIVE EXP.	57974	7.6	6260	9.2	31197	8.5	20516	6.2		

TABLE F14 - SUMMARY OF EMPLOYEE BENEFITS EXPENSE OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 12 PUBLISHERS
WITH TOTAL NET SALES OF $681,984,000

	ALL PUBLISHERS		3 PUBLISHERS NET SALES UP TO $30 MILLION		7 PUBLISHERS NET SALES $30-$80 MILLION		2 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
PENSIONS	4938	0.7	81	0.1	3065	0.8	1792	0.7		
DEFERRED PROFIT SHARING	2485	0.4	589	0.9	620	0.2	1276	0.5		
HOSPITALIZATION AND GROUP INSURANCE	7675	1.1	1023	1.5	3631	1.0	3022	1.2		
PAYROLL TAXES	9188	1.3	1237	1.8	5024	1.4	2928	1.2		
OTHER	1093	0.2	236	0.3	308	0.1	549	0.2		
TOTAL EMPLOYEE BENEFITS	25380	3.7	3165	4.7	12647	3.4	9567	3.9		

TABLE F15 - BILLINGS AND RECEIVABLES OF ELHI PUBLISHERS

	REPLIES	AMOUNT
NUMBER OF INVOICES ANNUALLY (000)	9	1592
AVERAGE INV. VALUE		442.52
NUMBER OF CREDIT MEMOS ANNUALLY (000)		131
ACCOUNTS RECEIVABLE (AT CAL. YR-END-$000)	11	120123
PERCENT OF NET SALES		17.0
ACCOUNTS RECE. - AGED TOTAL ($000)	9	98370
PCT. CURRENT		31.0
PCT. 1-60 DAYS		25.6
PCT. 61-180 DAYS		40.3
PCT. 181 DAYS OR MORE		3.1
BAD DEBT RESERVE ($000)	11	2401
PCT. OF NET SALES		0.3
PCT. OF RECEIVABLES		2.0
BAD DEBT LOSSES ($000)	11	635
PCT. OF NET SALES		0.1
PCT. OF RECEIVABLES		0.5
AVERAGE COLLECTION PERIOD (DAYS)	9	57
RANGE (DAYS)		31-92
AVG. ACCOUNTS RECEIVABLE (12 MONTHS) ($000)	10	132424
PCT. OF NET SALES		19.4

TABLE F16 - EMPLOYEE DATA OF ELHI PUBLISHERS

AS REPORTED BY 12 PUBLISHERS
EMPLOYING TOTAL STAFF OF 5,032
(NET SALES PER EMPLOYEE - $156,226)

	PERCENT OF TOTAL	
	AVERAGE	MID-RANGE
EDITORIAL	22.3	18.3 TO 27.7
PRODUCTION	6.9	3.9 TO 10.5
MARKETING (TOTAL)	39.7	33.7 TO 56.3
SALESMEN	22.5	16.7 TO 31.8
CONSULTANTS	3.3	2.9 TO 5.3
SALES MANAGEMENT	4.2	2.5 TO 6.1
SALES-CLERICAL	5.7	3.3 TO 9.2
PROMOTION	4.0	2.6 TO 5.2
FULFILLMENT (TOTAL)	20.3	17.6 TO 27.5
ORDER PROCESSING	10.2	7.6 TO 13.4
SHIPPING & WAREHOUS'G	10.2	9.2 TO 15.0
ADMINISTRATIVE MANAGEMNT	1.5	0.7 TO 2.1
GENERAL OFFICE	7.4	4.5 TO 10.0
OTHER	2.0	0.8 TO 4.3
EMPLOYEES PER $100,000 SALES	0.6	0.5 TO 1.0

TABLE F17 - SELECTED BALANCE SHEET DATA OF ELHI PUBLISHERS

REPORTED BY 11 PUBLISHERS - WITH TOTAL NET SALES
OF $748,963,000

	PERCENT OF NET SALES	
	AVERAGE	MID-RANGE
NET ASSETS	48.8	38.8 TO 64.6
RECEIVABLES	13.6	9.0 TO 17.0
INVENTORIES	22.3	17.4 TO 29.4
PREPAID EXPENSES	0.8	0.1 TO 1.8
ROYALTY ADVANCES	0.3	0.0 TO 0.5
DEFERRED PLANT COSTS	11.7	0.0 TO 16.0
NET INCOME (LOSS) BEFORE TAXES	20.8	9.7 TO 23.7

SECTION G - COLLEGE PUBLISHERS AND DIVISIONS

Please refer to the GENERAL INSTRUCTIONS AND DEFINITIONS, and the specific instructions and definitions for this divisional survey in QUESTIONNAIRE FORM G (available on request from the AAP New York Office) to insure the correct interpretation of this report. Furthermore, the methodology used in gathering and reporting data, which is discussed in the INTRODUCTION should be reviewed for a full understanding of the tables and text.

SALES DATA

In **Table G2** nineteen College textbook and materials publishers reported total 1984 net sales of $741.1 million to this Survey. As the College publishing industry enjoys total estimated book sales of $1279.0 million, as reported in **Table S1**, and audiovisual and related materials sales of $8.8 million, for a combined estimated sales total of $1287.8 million, the reporting group appears to represent some 57.5% of this industry segment. However, the reader is referred to the discussion following **Table G1**, and to the Higher Education Division footnote accompanying **Table S1.**

TABLE G1 - ESTIMATED INDUSTRY SALES OF COLLEGE TEXTBOOKS

NET SALES - MILLIONS OF DOLLARS

	1984	1983	PERCENT CHANGE
TABLE S-1 ESTIMATE	1279.0	1228.6	4.1
HED SURVEY (ACTUAL)	994.8	942.9	5.5
HED PERCENT OF S-1	77.8	76.7	

The AAP Higher Education Division Statistics Committee has felt, for a number of years, that the estimates based on the U.S. Department of Commerce Census of Manufactures (**Table S1**) overstate the college textbook market, and they have annually conducted their own independent survey. This year the HED survey included 48 publishers which they feel represent the majority of college publishing.

The results of this survey are shown in **Table G1**, and the list of participating publishers includes:

Academic Press
Addison-Wesley Publishing
Allyn & Bacon, Inc.
Anderson Publishing
Annual Reviews
Birch Tree Publ.
William Brown & Co.
Burgess Publishing
Computer Science Press
Congressional Quarterly
Dushkin Publishing
W.H. Freeman
Gorsuch Scarisbook
Hackett Publishing
Harcourt Brace Jovanovich
Harper & Row, Publishers
D.C. Heath
Holt, Rinehart & Winston
Houghton-Mifflin
Richard D. Irwin
ITT Bobbs-Merrill
Jamestown Publ.
Jones & Bartlett
Jossey-Bass
Little, Brown & Co.
Longman, Inc.
Macmillan, Inc.
Mayfield Publishing
McGraw-Hill
C.E. Merrill
Mitchell Publishing
C.V. Mosby
W.W. Norton
Oxford University Press
Pacific Books
Pitman Publishing
Prentice-Hall, Inc.
Random House
St. Martin's Press
Science Research Assocs.
Scientific Press
Scott, Foresman & Co.
Sinauer Associates
South-Western Publ.
Univ. Press of America
Wadsworth, Inc.
John Wiley & Sons
Worth Publishing

TABLE G2 - SALES OF COLLEGE TEXTBOOKS AND MATERIALS

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 19 PUBLISHERS

	GROSS SALES									
	1984		1983		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
BOOKS, TESTS, REPRINTS, PAMPHLETS AND MANUALS	892636	63948	858570	65200	4.0	-1.9				
AV AND OTHER MEDIA	1786	142	1472	120	21.3	18.3				
TOTAL	894422	64090	860042	65320	4.0	-1.9				

	RETURNS									
	1984		1983		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
BOOKS, TESTS, REPRINTS, PAMPHLETS AND MANUALS	152965	10520	145534	10697	5.1	-1.7				
AV AND OTHER MEDIA	328	24	427	47	-23.2	-48.9				
TOTAL	153293	10544	145961	10744	5.0	-1.9				

	NET SALES									
	1984		1983		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
BOOKS, TESTS, REPRINTS, PAMPHLETS AND MANUALS	739671	53428	713036	54503	3.7	-2.0				
AV AND OTHER MEDIA	1458	118	1045	73	39.5	61.6				
TOTAL	741129	53546	714081	54576	3.8	-1.9				

	1984 PERCENT RETURNS TO GROSS									
	DOLLARS			UNITS			YOUR DATA			
	AVERAGE	MID-RANGE		AVERAGE	MID-RANGE					
BOOKS, TESTS, REPRINTS, PAMPHLETS AND MANUALS	17.1	15.7 TO	18.5	16.5	15.2 TO	19.5				
AV AND OTHER MEDIA	18.4	14.2 TO	19.8	16.9	15.4 TO	20.6				
TOTAL	17.1	15.7 TO	18.5	16.5	15.2 TO	19.5				

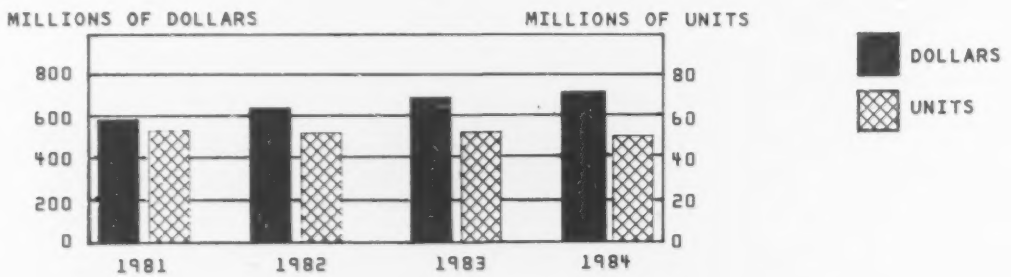
Continued on page G-3

TABLE G2 - SALES OF COLLEGE TEXTBOOKS AND MATERIALS

Continued from page G-2

	1983 PERCENT RETURNS TO GROSS							
	DOLLARS		UNITS		YOUR DATA			
	AVERAGE	MID-RANGE	AVERAGE	MID-RANGE				
BOOKS, TESTS, REPRINTS, PAMPHLETS AND MANUALS	17.0	14.6 TO 18.4	16.4	13.8 TO 20.3				
AV AND OTHER MEDIA	29.0	8.6 TO 38.9	39.2	18.2 TO 100.0				
TOTAL	17.0	14.6 TO 18.5	16.4	13.8 TO 20.3				

TABLE G3 - NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS-BY PRODUCT CATEGORY



THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 20 PUBLISHERS

	1984		1983		1982		YOUR DATA			
	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS				
TEXTBOOKS	726822	51384	702087	52951	649375	52637				
AUDIOVISUAL & OTHER MEDIA	1888	101	1815	149	1653	126				
TOTAL BOOKS & MATERIALS	728710	51485	703902	53100	651028	52763				

	1981		PERCENT CHANGE 1983-1984		PERCENT CHANGE 1981-1984		YOUR DATA			
	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS				
TEXTBOOKS	594727	54331	3.5	-3.0	22.2	-5.4				
AUDIOVISUAL & OTHER MEDIA	903	77	4.0	-32.2	109.1	31.2				
TOTAL BOOKS & MATERIALS	595630	54408	3.5	-3.0	22.3	-5.4				

Continued on page G-4

TABLE G3 - NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS-BY PRODUCT CATEGORY

Continued from page G-3

	1984 DOLLARS PER UNIT		1983 DOLLARS PER UNIT	
	$-AVG.	AVG $ MID-RANGE	$-AVG.	AVG $ MID-RANGE
TEXTBOOKS	14.14	12.00 TO 16.73	13.26	11.91 TO 14.87
AUDIOVISUAL & OTHER MEDIA	18.69	13.13 TO 39.85	12.18	7.65 TO 92.00
TOTAL BOOKS & MATERIALS	14.15	10.85 TO 16.71	13.26	11.91 TO 14.85

	1982 DOLLARS PER UNIT		1981 DOLLARS PER UNIT	
	$-AVG.	AVG $ MID-RANGE	$-AVG.	AVG $ MID-RANGE
TEXTBOOKS	12.34	10.47 TO 14.63	10.95	9.92 TO 12.94
AUDIOVISUAL & OTHER MEDIA	13.12	10.68 TO 78.40	11.73	9.53 TO 27.25
TOTAL BOOKS & MATERIALS	12.34	10.47 TO 14.62	10.95	9.26 TO 12.82

TABLE G4 - ESTIMATED DOMESTIC SALES OF BOOKS AND MATERIALS IN THE COLLEGE MARKET

MILLIONS OF DOLLARS

	1972		1977		1982		1983		1984	
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL
COLLEGE TEXTBOOKS	319	59.1	499	57.7	848	59.4	892	59.9	926	59.9
ELHI TEXTBOOKS	12	2.2	32	3.7	45	3.2	47	3.2	50	3.2
TRADEBOOKS	84	15.5	123	14.2	176	12.3	180	12.1	180	11.6
PROFESSIONAL BOOKS	69	12.8	131	15.1	242	16.9	250	16.8	264	17.1
UNIVERSITY PRESS BOOKS	15	2.8	20	2.3	30	2.1	33	2.2	35	2.3
MASS MARKET PAPERBACKS	19	3.5	29	3.4	48	3.4	48	3.2	49	3.2
OTHER BOOKS, TESTS, MAPS, ETC.	7	1.3	12	1.4	18	1.3	20	1.3	21	1.4
AV AND OTHER MEDIA	15	2.8	19	2.2	20	1.4	20	1.3	22	1.4
TOTAL	540	100.0	865	100.0	1427	100.0	1490	100.0	1547	100.0

In Table G4 estimates are presented for **all** books--general and mass market paperbacks, as well as textbooks--along with AV and related materials, maps and tests sold in the domestic college market. "Total Market" therefore represents the collective level of these sales in the fifty United States and the District of Columbia.

The estimates are based on projections of U.S. Census data (see Table S1); on market reports received from publishers, and on data including that in Tables A3, B3, and G5.

Sales include those to college libraries.

TABLE G5 - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS-BY MARKET CATEGORY

THOUSANDS OF DOLLARS - AS REPORTED BY 12 PUBLISHERS

	1983		1984			YOUR DATA		
	$	PCT OF TOTAL	$	PCT CHG FROM 77	PCT OF TOTAL			
DOMESTIC SALES								
BOOKSTORES (TOTAL)	444979	76.2	449830	1.1	75.0			
COLLEGE	411571	70.5	419168	1.8	69.9			
OTHER	33408	5.7	30662	-8.2	5.1			
WHOLESALERS & JOBBERS	21333	3.7	20423	-4.3	3.4			
LIBRARIES AND INSTITUTIONS (TOTAL)	43081	7.4	46528	8.0	7.8			
COLLEGES & UNIV.	20551	3.5	21925	6.7	3.7			
SCHOOLS	19421	3.3	21232	9.3	3.6			
PUBLIC LIBRARIES	2358	0.4	2340	-0.8	0.4			
OTHER	656	0.1	910	38.7	0.2			
UNSPECIFIED	95	0.0	121	27.4	0.0			
GOVERNMENT	1799	0.3	1800	0.1	0.3			
INDUSTRY	4343	0.7	5533	27.4	0.9			
DIRECT TO CONSUMER	11144	1.9	11736	5.3	2.0			
OTHER	7244	1.2	5292	-26.9	0.9			
TOTAL DOMESTIC SALES	533923	91.4	541142	1.4	90.3			
FOREIGN SALES	49944	8.6	58412	17.0	9.7			
ALL SALES	583867	100.0	599555	2.7	100.0			

TABLE G6a - NET SALES OF NEW AND REVISED AND BACKLIST COLLEGE TEXTBOOKS

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 14 PUBLISHERS

	1984		1983		PCT CHG 84/83		YOUR DATA			
	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS				
TEXTBOOKS (TOTAL)	465317	34208	435009	34353	7.0	-0.4				
NEW & REVISED	140839	9031	117469	8804	19.9	2.6				
BACKLIST	324478	25177	317540	25549	2.2	-1.5				

	1982		1981		PCT CHG 84/81		YOUR DATA			
	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS				
TEXTBOOKS (TOTAL)	392365	33853	356498	33211	30.5	3.0				
NEW & REVISED	102047	8186	97193	9009	44.9	0.2				
BACKLIST	290318	25667	259305	24202	25.1	4.0				

Please see **Table G6a** note on page G-6.

TABLE G6b - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS -BY SUBJECT CATEGORIES

THOUSANDS OF DOLLARS - AS REPORTED BY 22 PUBLISHERS

	1984		1983		1982	
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL
ACCOUNTING	48967	6.1	49115	6.4	43064	6.1
ANTHROPOLOGY	4195	0.5	4008	0.5	4020	0.6
ART & ARCHITECTURE	8995	1.1	8176	1.1	8579	1.2
ASTRONOMY	1839	0.2	2024	0.3	2031	0.3
BIOLOGY	27928	3.5	24092	3.1	23555	3.3
BUSINESS ADMINISTRATION	84820	10.6	78213	10.2	75819	10.7
MANAGEMENT	21611	3.4	18179	2.9	18101	3.3
MARKETING	10658	1.7	13225	2.1	10989	2.0
FINANCE	13277	2.1	11252	1.8	10176	1.9
OTHER	22849	3.6	20825	3.3	19445	3.5
UNSPECIFIED	16426		14732		17108	
BUSINESS EDUCATION	33731	4.2	26698	3.5	25487	3.6
CAREER EDUCATION & OCCUPATIONAL EDUC.	40328	5.1	38245	5.0	32052	4.5
CHEMISTRY (INCL. BIOCH.)	30150	3.8	27883	3.6	27723	3.9
COMPUTERS & COMPUTING	64446	8.1	72888	9.5	55102	7.8
ECONOMICS	26388	3.3	23517	3.1	23561	3.3
EDUCATION	24202	3.0	23347	3.0	22935	3.2
ENGINEERING	54016	6.8	48520	6.3	45964	6.5
ELECTRICAL	12787	1.7	13435	1.9	12093	1.8
CIVIL	4432	0.6	4129	0.6	4263	0.6
MECHANICAL	5441	0.7	5835	0.8	5272	0.8
OTHER	27654	3.7	21993	3.1	21193	3.2
UNSPECIFIED	3702		3128		3143	
ENGLISH LANGUAGE & LIT.	63752	8.0	58622	7.6	55840	7.9
FOREIGN LANGUAGES (OTHER THAN FRENCH, GERMAN AND SPANISH)	2593	0.3	2196	0.3	2081	0.3
FRENCH	6971	0.9	6559	0.9	6489	0.9
GENERAL REFERENCE DICTIONARIES	0	0.0	0	0.0	0	0.0
GEOLOGY & EARTH SCIENCE	5311	0.7	6476	0.8	7862	1.1
GEOGRAPHY	4493	0.6	4187	0.5	3917	0.6
GERMAN	3255	0.4	2900	0.4	2125	0.3
HEALTH EDUCATION & PHYSICAL EDUCATION	6884	0.9	6994	0.9	7305	1.0
HISTORY	22767	2.9	23392	3.0	20893	2.9
HOME ECONOMICS	3769	0.5	4048	0.5	3992	0.6

Continued on page G-7

In **Table G6a** limiting themselves to **textbooks only**, and **including** export sales, publishers were asked to report their new and revised title sales (i.e. of titles copyrighted in the reporting year), and backlist sales separately.

Domestic Net Sales by **Subject Categories** are analyzed in **Tables G6b and G6c. Table G6b** includes **dollar data only,** but it reports the sale of **all** books and materials. **Table G6c** includes dollar and **unit** data, but is confined to **textbooks only,** excluding workbooks, tests, reprints, pamphlets, manuals and non-print media.

TABLE G6b - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS -BY SUBJECT CATEGORIES

Continued from page G-6

	1984		1983		1982	
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL
MATHEMATICS	73120	9.2	69991	9.1	62721	8.8
MATHEMATICS	61812	8.4	59199	8.3	53189	8.0
STATISTICS	5920	0.8	6049	0.8	5783	0.9
UNSPECIFIED	5388		4743		3749	
MUSIC	5802	0.7	5067	0.7	4612	0.7
NURSING & ALLIED HEALTH	7884	1.0	9805	1.3	9258	1.3
PHYSICS & PHYSICAL SCIENCE SURVEY	14987	1.9	13936	1.8	14344	2.0
POLITICAL SCIENCE, PUBLIC SERVICE & ADMINISTRATION	15586	2.0	15179	2.0	13996	2.0
PSYCHOLOGY	39562	5.0	44930	5.8	38839	5.5
RELIGION & PHILOSOPHY	10441	1.3	9771	1.3	9679	1.4
SOCIOLOGY	16272	2.0	16443	2.1	14025	2.0
SPANISH	9926	1.2	8557	1.1	8381	1.2
SPEECH, DRAMA & MASS MEDIA	16846	2.1	17244	2.2	16830	2.4
MISCELLANEOUS	16755	2.1	15606	2.0	16336	2.3
TOTAL	796981	100.0	768629	100.0	709496	100.0

TABLE G6c - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS-BY SUBJECT CATEGORIES

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 19 PUBLISHERS

	1984					1983				
	DOLLARS		UNITS		AVERAGE DOLLARS	DOLLARS		UNITS		AVERAGE DOLLARS
	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT
ACCOUNTING	43147	6.2	2990	6.2	14.43	41971	6.2	3221	6.5	13.03
ANTHROPOLOGY	3818	0.5	314	0.7	12.16	3777	0.6	335	0.7	11.27
ART & ARCHITECTURE	7283	1.0	403	0.8	18.07	6685	1.0	395	0.8	16.92
ASTRONOMY	1794	0.3	79	0.2	22.71	1932	0.3	108	0.2	18.35
BIOLOGY	24649	3.5	1302	2.7	18.93	21798	3.2	1307	2.6	16.68
BUSINESS ADMINISTRATION	77149	11.0	5050	10.6	15.28	72073	10.6	4775	9.6	15.09
MANAGEMENT	21288	3.5	1266	3.2	16.82	17869	3.0	1095	2.7	16.32
MARKETING	10552	1.7	553	1.4	19.08	13085	2.2	829	2.0	15.78
FINANCE	12946	2.1	704	1.8	18.39	10992	1.9	637	1.6	17.26
OTHER	22700	3.7	1661	4.2	13.67	20472	3.5	1338	3.3	15.30
UNSPECIFIED	9664	1.4	866	1.8	11.16	9655	1.4	876	1.8	11.02
BUSINESS EDUCATION	29635	4.2	2691	5.6	11.01	23566	3.5	2329	4.7	10.12
CAREER EDUCATION & OCCUPATIONAL EDUC.	40140	5.7	2596	5.4	15.46	37696	5.6	2535	5.1	14.87
CHEMISTRY (INCL. BIOCH.)	26683	3.8	1478	3.1	18.05	24082	3.6	1824	3.7	13.20

Continued on page G-8

TABLE G6c - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS-BY SUBJECT CATEGORIES

Continued from page G-7

	1984					1983				
	DOLLARS		UNITS		AVERAGE DOLLARS	DOLLARS		UNITS		AVERAGE DOLLARS
	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT
COMPUTERS & COMPUTING	60003	8.6	4469	9.3	13.43	69801	10.3	5654	11.3	12.35
ECONOMICS	24605	3.5	1575	3.3	15.62	21101	3.1	1470	2.9	14.35
EDUCATION	19756	2.8	1303	2.7	15.16	19230	2.8	1441	2.9	13.34
ENGINEERING	48508	6.9	2238	4.7	21.67	43668	6.4	2059	4.1	21.21
ELECTRICAL	11896	2.2	523	1.4	22.75	11476	2.2	474	1.2	24.21
CIVIL	3507	0.7	139	0.4	25.23	3106	0.6	127	0.3	24.46
MECHANICAL	4429	0.8	175	0.5	25.31	4802	0.9	220	0.6	21.83
OTHER	16985	3.2	945	2.5	17.97	13579	2.7	786	2.0	17.28
UNSPECIFIED	11691	1.7	456	1.0	25.64	10705	1.6	452	0.9	23.68
ENGLISH LANGUAGE & LIT.	48630	7.0	5212	10.9	9.33	46750	6.9	5269	10.6	8.87
FOREIGN LANGUAGES (OTHER THAN FRENCH, GERMAN AND SPANISH)	2575	0.4	200	0.4	12.88	2034	0.3	167	0.3	12.18
FRENCH	6254	0.9	489	1.0	12.79	5874	0.9	489	1.0	12.01
GENERAL REFERENCE DICTIONARIES	0	0.0	0	0.0	0.00	0	0.0	0	0.0	0.00
GEOLOGY & EARTH SCIENCE	5203	0.7	266	0.6	19.56	6393	0.9	276	0.6	23.16
GEOGRAPHY	4446	0.6	220	0.5	20.21	3964	0.6	214	0.4	18.52
GERMAN	2556	0.4	198	0.4	12.91	1953	0.3	193	0.4	10.12
HEALTH EDUCATION & PHYSICAL EDUCATION	5760	0.8	427	0.9	13.49	5761	0.8	446	0.9	12.92
HISTORY	18370	2.6	1511	3.2	12.16	19835	2.9	1668	3.3	11.89
HOME ECONOMICS	2533	0.4	141	0.3	17.96	2642	0.4	180	0.4	14.68
MATHEMATICS	67046	9.6	3716	7.8	18.04	63084	9.3	3727	7.5	16.93
MATHEMATICS	47620	8.7	2640	7.1	18.04	44027	8.4	2623	6.8	16.78
STATISTICS	4974	0.9	245	0.7	20.30	5006	1.0	280	0.7	17.88
UNSPECIFIED	14452	2.1	831	1.7	17.39	14051	2.1	824	1.7	17.05
MUSIC	5266	0.8	355	0.7	14.83	4562	0.7	332	0.7	13.74
NURSING & ALLIED HEALTH	7569	1.1	518	1.1	14.61	9610	1.4	678	1.4	14.17
PHYSICS & PHYSICAL SCIENCE SURVEY	13741	2.0	602	1.3	22.83	12814	1.9	700	1.4	18.31
POLITICAL SCIENCE, PUBLIC SERVICE & ADMINISTRATION	14804	2.1	1174	2.5	12.61	14205	2.1	1140	2.3	12.46
PSYCHOLOGY	34635	5.0	2107	4.4	16.44	39604	5.8	2581	5.2	15.34
RELIGION & PHILOSOPHY	7914	1.1	572	1.2	13.84	7151	1.1	571	1.1	12.52
SOCIOLOGY	14733	2.1	1017	2.1	14.49	14322	2.1	1007	2.0	14.22
SPANISH	8913	1.3	723	1.5	12.33	7688	1.1	623	1.2	12.34
SPEECH, DRAMA & MASS MEDIA	15126	2.2	1148	2.4	13.18	14790	2.2	1169	2.3	12.65
MISCELLANEOUS	5983	0.9	779	1.6	7.68	7393	1.1	994	2.0	7.44
TOTAL	699407	100.0	47863	100.0	14.61	677859	100.0	49877	100.0	13.59

Continued on page G-9

TABLE G6c - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS-BY SUBJECT CATEGORIES

Continued from page G-8

	1982					1981				
	DOLLARS		UNITS		AVERAGE DOLLARS	DOLLARS		UNITS		AVERAGE DOLLARS
	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT
ACCOUNTING	36906	5.9	3053	6.2	12.09	32906	5.7	2982	5.8	11.03
ANTHROPOLOGY	3836	0.6	352	0.7	10.90	3947	0.7	458	0.9	8.62
ART & ARCHITECTURE	6757	1.1	413	0.8	16.36	6155	1.1	425	0.8	14.48
ASTRONOMY	1420	0.2	110	0.2	12.91	1381	0.2	99	0.2	13.95
BIOLOGY	21350	3.4	1397	2.8	15.28	20049	3.5	1487	2.9	13.48
BUSINESS ADMINISTRATION	69330	11.1	5132	10.4	13.51	62246	10.8	4880	9.5	12.76
MANAGEMENT	11901	3.6	730	3.3	16.30	9658	3.5	658	3.4	14.68
MARKETING	7294	2.2	536	2.4	13.61	6152	2.2	278	1.4	22.13
FINANCE	7875	2.4	460	2.1	17.12	6831	2.4	458	2.4	14.91
OTHER	9271	2.8	560	2.6	16.56	7492	2.7	455	2.3	16.47
UNSPECIFIED	32989	5.3	2846	5.8	11.59	32113	5.6	3031	5.9	10.59
BUSINESS EDUCATION	22605	3.6	2389	4.9	9.46	17826	3.1	2328	4.6	7.66
CAREER EDUCATION & OCCUPATIONAL EDUC.	32000	5.1	2394	4.9	13.37	30551	5.3	2520	4.9	12.12
CHEMISTRY (INCL. BIOCH.)	24165	3.9	1943	3.9	12.44	22570	3.9	2022	4.0	11.16
COMPUTERS & COMPUTING	53106	8.5	4050	8.2	13.11	37069	6.4	2980	5.8	12.44
ECONOMICS	20652	3.3	1527	3.1	13.52	21085	3.7	1777	3.5	11.87
EDUCATION	18664	3.0	1489	3.0	12.53	19884	3.4	1683	3.3	11.81
ENGINEERING	41996	6.7	2428	4.9	17.30	38972	6.8	2146	4.2	18.16
ELECTRICAL	10211	2.8	529	2.2	19.30	8591	2.6	473	1.7	18.16
CIVIL	2063	0.6	87	0.4	23.71	2683	0.8	140	0.5	19.16
MECHANICAL	3092	0.8	151	0.6	20.48	3187	1.0	165	0.6	19.32
OTHER	9230	2.5	425	1.8	21.72	7992	2.4	416	1.5	19.21
UNSPECIFIED	17400	2.8	1236	2.5	14.08	16519	2.9	952	1.9	17.35
ENGLISH LANGUAGE & LIT.	43608	7.0	5287	10.7	8.25	39821	6.9	5382	10.5	7.40
FOREIGN LANGUAGES (OTHER THAN FRENCH, GERMAN AND SPANISH)	1934	0.3	164	0.3	11.79	1370	0.2	118	0.2	11.61
FRENCH	5846	0.9	521	1.1	11.22	4872	0.8	662	1.3	7.36
GENERAL REFERENCE DICTIONARIES	0	0.0	0	0.0	0.00	0	0.0	0	0.0	0.00
GEOLOGY & EARTH SCIENCE	7765	1.2	375	0.8	20.71	7204	1.2	445	0.9	16.19
GEOGRAPHY	3854	0.6	242	0.5	15.93	3431	0.6	212	0.4	16.18
GERMAN	1773	0.3	164	0.3	10.81	1672	0.3	194	0.4	8.62
HEALTH EDUCATION & PHYSICAL EDUCATION	6009	1.0	526	1.1	11.42	6159	1.1	560	1.1	11.00
HISTORY	17272	2.8	1666	3.4	10.37	15778	2.7	1740	3.4	9.07
HOME ECONOMICS	2362	0.4	186	0.4	12.70	2554	0.4	191	0.4	13.37
MATHEMATICS	58532	9.4	3904	7.9	14.99	53715	9.3	3907	7.6	13.75
MATHEMATICS	36961	8.7	2531	7.5	14.60	22769	8.8	1692	7.0	13.46
STATISTICS	2567	0.6	158	0.5	16.25	1304	0.5	145	0.6	8.99
UNSPECIFIED	19004	3.0	1215	2.5	15.64	29643	5.1	2070	4.0	14.32
MUSIC	4050	0.6	319	0.6	12.70	4314	0.7	367	0.7	11.75
NURSING & ALLIED HEALTH	9165	1.5	697	1.4	13.15	7788	1.4	673	1.3	11.57
PHYSICS & PHYSICAL SCIENCE SURVEY	13184	2.1	779	1.6	16.92	12755	2.2	801	1.6	15.92

Continued on page G-10

TABLE G6c - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS-BY SUBJECT CATEGORIES

Continued from page G-9

	1982					1981				
	DOLLARS		UNITS		AVERAGE DOLLARS	DOLLARS		UNITS		AVERAGE DOLLARS
	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT
POLITICAL SCIENCE, PUBLIC SERVICE & ADMINISTRATION	12882	2.1	1138	2.3	11.32	13122	2.3	1339	2.6	9.80
PSYCHOLOGY	34671	5.5	2469	5.0	14.04	32509	5.6	2568	5.0	12.66
RELIGION & PHILOSOPHY	7022	1.1	626	1.3	11.22	6066	1.1	605	1.2	10.03
SOCIOLOGY	12536	2.0	1008	2.0	12.44	15472	2.7	1435	2.8	10.78
SPANISH	7285	1.2	637	1.3	11.44	6932	1.2	734	1.4	9.44
SPEECH, DRAMA & MASS MEDIA	14807	2.4	1291	2.6	11.47	13349	2.3	1282	2.5	10.41
MISCELLANEOUS	8232	1.3	581	1.2	14.17	13128	2.3	2111	4.1	6.22
TOTAL	625576	100.0	49257	100.0	12.70	576652	100.0	51113	100.0	11.28

TABLE G7a - NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS-BY GEOGRAPHICAL LOCATION

THOUSANDS OF DOLLARS - AS REPORTED BY 15 PUBLISHERS - WITH ESTIMATES OF INDUSTRY TEXTBOOK SALES

	ACTUAL SALES REPORTED (TEXTBOOKS & MATERIALS)			ESTIMATED INDUSTRY SALES (TEXTBOOKS ONLY)					YOUR DATA
	1984	1983	PERCENT CHANGE	1984		1983		1966-68 (1)	
				$	INDEX	$	INDEX		
DOMESTIC UNITED STATES									
ALABAMA	8538	9048	-5.6	15305	574	16213	608	2668	
ALASKA	1746	2270	-23.1	2734	1098	3555	1428	249	
ARIZONA	10994	10141	8.4	17855	789	16471	728	2263	
ARKANSAS	4108	4288	-4.2	8533	479	8907	500	1783	
CALIFORNIA	85048	73201	16.2	136316	464	119411	406	29394	
COLORADO	10601	11225	-5.6	18469	470	19565	498	3927	
CONNECTICUT	10556	9680	9.0	19340	440	17743	404	4395	
DELAWARE	2601	3023	-14.0	4066	639	4728	743	636	
DIST. OF COLUMBIA	6127	6498	-5.7	9047	326	9594	346	2771	
FLORIDA	24648	23284	5.9	41139	608	38847	574	6765	
GEORGIA	12986	12213	6.3	22649	539	21307	507	4199	
HAWAII	2659	3318	-19.9	5116	384	6387	480	1331	
IDAHO	2038	2734	-25.5	3261	275	4377	369	1187	
ILLINOIS	33205	32030	3.7	53731	373	51814	360	14405	
INDIANA	14465	14180	2.0	26510	424	25990	416	6249	
IOWA	8065	8585	-6.1	15042	395	16019	421	3804	
KANSAS	5967	6557	-9.0	10226	363	11237	399	2816	
KENTUCKY	6961	6788	2.5	13199	444	12877	433	2973	
LOUISIANA	10379	9880	5.1	18334	519	17444	493	3535	
MAINE	2922	3685	-20.7	4973	341	6271	430	1458	
MARYLAND	13835	13452	2.8	24062	510	23407	496	4719	
MASSACHUSETTS	24718	23197	6.6	43186	355	40512	333	12149	

Continued on page G-11

TABLE G7a - NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS-BY GEOGRAPHICAL LOCATION

Continued from page G-10

	ACTUAL SALES REPORTED (TEXTBOOKS & MATERIALS)			ESTIMATED INDUSTRY SALES (TEXTBOOKS ONLY)					YOUR DATA	
	1984	1983	PERCENT CHANGE	1984		1983		1966-68 (1)		
				$	INDEX	$	INDEX			
MICHIGAN	24894	23000	8.2	44121	405	40777	375	10885		
MINNESOTA	12140	12118	0.2	21532	434	21489	433	4958		
MISSISSIPPI	4653	4985	-6.7	8122	410	8705	440	1980		
MISSOURI	14838	13801	7.5	24862	448	23127	417	5551		
MONTANA	2232	2930	-23.8	3866	411	5073	539	941		
NEBRASKA	4271	4612	-7.4	7161	416	7733	449	1723		
NEVADA	1997	3325	-39.9	4133	571	5166	714	724		
NEW HAMPSHIRE	3836	4381	-12.4	6098	468	6961	535	1302		
NEW JERSEY	22006	19672	11.9	37803	473	34230	429	7986		
NEW MEXICO	3957	4607	-14.1	6642	480	7732	559	1383		
NEW YORK	59719	54476	9.6	102585	402	93599	367	25530		
NORTH CAROLINA	16742	15966	4.9	32222	590	30717	563	5457		
NORTH DAKOTA	2667	3265	-18.3	4296	488	5258	597	881		
OHIO	29457	28804	2.3	48761	400	47665	391	12205		
OKLAHOMA	8188	9142	-10.4	14619	472	16316	527	3095		
OREGON	8278	8369	-1.1	13494	359	13644	430	3754		
PENNSYLVANIA	35738	34311	4.2	61777	394	59287	378	15682		
RHODE ISLAND	3874	4577	-15.4	5688	369	6723	436	1541		
SOUTH CAROLINA	7913	7653	3.4	12244	509	11841	493	2404		
SOUTH DAKOTA	2071	2808	-26.2	3338	310	4523	420	1078		
TENNESSEE	13113	12263	6.9	23087	540	21597	505	4279		
TEXAS	43841	39296	11.6	68771	563	62071	508	12214		
UTAH	5202	5745	-9.5	8579	386	9480	427	2220		
VERMONT	2124	2509	-15.3	3641	423	4299	499	861		
VIRGINIA	17327	16572	4.6	27921	583	26693	558	4787		
WASHINGTON	12415	11572	7.3	23644	535	22035	498	4421		
WEST VIRGINIA	4152	4391	-5.4	8042	370	8501	391	2176		
WISCONSIN	12653	12869	-1.7	21248	404	21615	411	5254		
WYOMING	1465	2191	-33.1	2424	456	3030	570	532		
TOTAL DOMESTIC U.S.	684931	659487	3.9	1163814	449	1122564	433	259480		
P.R. & OTHER U.S. POSS.	4196	3789	10.7	10107	974	9365	902	1038		
FOREIGN										
CANADA	22477	19515	15.2	37081	325	34588	303	11423		
EUROPE	8229	8081	1.8	26099	420	25638	413	6215		
ALL OTHER	30422	22788	33.5	41944	406	37343	362	10327		
TOTAL FOREIGN	61128	50384	21.3	105124	376	97569	349	27965		
ALL SALES	750255	713660	5.1	1279045	444	1229498	426	288383		

With regard to the College Textbook estimate, the reader is referred to **Table G1** and the accompanying discussion.

The first three columns in **Table G7a** show actual sales of reporting publishers by geographical location, and **include both textbooks and audiovisual and other materials.**

The remaining columns continue the historical series of estimated industry sales and, therefore, include **textbook sales only.**

Note: (1) Figures in the column so marked, provide the base (100%) for the index, and represent the average for the years 1966 through 1968.

The reader is cautioned that the actual change in sales for a given state may not reflect an actual sales increase (or decrease) but rather a shift in sales between reporting publishers and non-reporting companies.

TABLE G7b - GEOGRAPHICAL ANALYSIS OF ESTIMATED DOMESTIC INDUSTRY SALES OF COLLEGE TEXTBOOKS

THOUSANDS OF STUDENTS AND DOLLARS

	EST. INDUSTRY SALES ($)		PERCENT OF TOTAL SALES		ENROLLMENT		SALES PER CAPITA ($)		RANK IN SALES PER CAPITA	
	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983
ALABAMA	15305	16213	1.32	1.44						
ALASKA	2734	3555	.23	.32						
ARIZONA	17855	16471	1.53	1.47						
ARKANSAS	8533	8907	.73	.79						
CALIFORNIA	136316	119411	11.71	10.64						
COLORADO	18469	19565	1.59	1.74						
CONNECTICUT	19340	17743	1.66	1.58						
DELAWARE	4066	4728	.35	.42						
DISTRICT OF COLUMBIA	9047	9594	.78	.85						
FLORIDA	41139	38847	3.53	3.46						
GEORGIA	22649	21307	1.95	1.90						
HAWAII	5116	6387	.44	.57						
IDAHO	3261	4377	.28	.39						
ILLINOIS	53731	51814	4.62	4.62						
INDIANA	26510	25990	2.28	2.32						
IOWA	15042	16019	1.29	1.43						
KANSAS	10226	11237	.88	1.00						
KENTUCKY	13199	12877	1.13	1.15						
LOUISIANA	18334	17444	1.57	1.55						
MAINE	4973	6271	.43	.56						
MARYLAND	24062	23407	2.07	2.09						
MASSACHUSETTS	43186	40512	3.71	3.61						
MICHIGAN	44121	40777	3.79	3.63						
MINNESOTA	21532	21489	1.85	1.91						
MISSISSIPPI	8122	8705	.70	.78						
MISSOURI	24862	23127	2.14	2.06						
MONTANA	3866	5073	.33	.45						
NEBRASKA	7161	7733	.62	.69						
NEVADA	4133	5166	.36	.46						
NEW HAMPSHIRE	6098	6961	.52	.62						
NEW JERSEY	37803	34230	3.25	3.05						
NEW MEXICO	6642	7732	.57	.69						
NEW YORK	102585	93599	8.81	8.34						
NORTH CAROLINA	32222	30717	2.77	2.74						
NORTH DAKOTA	4296	5258	.37	.47						
OHIO	48761	47665	4.19	4.25						
OKLAHOMA	14619	16316	1.26	1.45						
OREGON	13494	13644	1.16	1.22						
PENNSYLVANIA	61777	59287	5.31	5.28						
RHODE ISLAND	5688	6723	.49	.60						
SOUTH CAROLINA	12244	11841	1.05	1.05						
SOUTH DAKOTA	3338	4523	.29	.40						
TENNESSEE	23087	21597	1.98	1.92						
TEXAS	68771	62071	5.91	5.53						
UTAH	8579	9480	.74	.84						
VERMONT	3641	4299	.31	.38						
VIRGINIA	27921	26693	2.40	2.38						
WASHINGTON	23644	22035	2.03	1.96						
WEST VIRGINIA	8042	8501	.69	.76						
WISCONSIN	21248	21615	1.83	1.93						
WYOMING	2424	3030	.21	.27						
TOTAL	1163814	1122564	100.00	100.00	8842	9032	131.62	124.29		

Enrollment data for this table are furnished by the National Center for Education Statistics. As of this writing (late October 1984), the 1984 data are still not available. Should they be released in the not too distant future, we will revise this page accordingly. For earlier year data we refer the reader to the AAP 1983 Industry Statistics.

Footnotes for Table G7b appear on page G-27.

TABLE G8 - OPERATING DATA OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS

	ALL PUBLISHERS								YOUR DATA	
	1984				1983					
	$	PERCENT OF NET SALES			$	PERCENT OF NET SALES				
		AVERAGE	MID-RANGE			AVERAGE	MID-RANGE			
GROSS SALES	972919	120.3	118.6 TO	123.0	921145	119.7	117.1 TO	122.8		
RETURNS & ALLOWANCES	164367	20.3	18.6 TO	23.0	151661	19.7	17.1 TO	22.8		
NET SALES	808551	100.0	100.0 TO	100.0	769484	100.0	100.0 TO	100.0		
COST OF SALES										
PAPER, PRINTING, BINDING & DUPL. COSTS	136545	16.9	14.9 TO	22.6	131544	17.1	16.5 TO	21.0		
ROYALTIES	117544	14.5	14.2 TO	15.7	111615	14.5	13.7 TO	15.9		
TOTAL COST OF SALES	254089	31.4	28.6 TO	37.1	243159	31.6	30.7 TO	34.7		
GROSS MARGIN ON SALES	554462	68.6	62.9 TO	71.4	526325	68.4	65.3 TO	69.3		
OTHER INCOME	6674	0.8	0.1 TO	0.7	9389	1.2	0.1 TO	0.8		
PUBLISHING & OPERATING EXPENSES										
PLANT COSTS	59069	7.3	5.8 TO	9.6	52505	6.8	6.1 TO	9.0		
EDITORIAL	50521	6.2	5.7 TO	8.3	43412	5.6	5.7 TO	7.8		
PRODUCTION	22667	2.8	1.6 TO	5.0	19525	2.5	1.6 TO	4.6		
MARKETING	126774	15.7	14.1 TO	19.0	113221	14.7	14.8 TO	18.0		
FULFILLMENT	49401	6.1	5.2 TO	7.8	44664	5.8	5.3 TO	6.9		
GENERAL & ADMIN.	82383	10.2	7.4 TO	13.8	85132	11.1	8.1 TO	14.2		
TOTAL PUBL. & OPERATING EXPENSE	390815	48.3	45.9 TO	61.5	358459	46.6	46.0 TO	57.3		
NET INCOME FROM OPERATIONS*	170321	21.1	8.6 TO	21.3	177255	23.0	9.9 TO	22.1		

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

Continued on page G-14

OPERATING DATA

Data are furnished by size of publisher (**Tables G8 through G17**). **Table G8** is a summary table, offering a composite income statement of the reporting publishers. The remaining tables detail specific expense areas including a time series covering detailed expense ratios of the past four years (**Tables G18 through G23**).

The series of **Tables G18 through G23** (pages G-23 through G-26) provide comparisons for four years, of expense ratios in operating areas. Note that the reported changes in the ratios from year to year are based on comparisons of **unrounded** figures, while the actual ratios reported in the tables have been rounded to one decimal point. As a result, changes in magnitude will be reported for figures which, because of the rounding, appear to be identical.

Text continued on page G-14

TABLE G8 - OPERATING DATA OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page G-13

	4 PUBLISHERS WITH NET SALES UP TO $10 MILLION							
	1984			1983			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE		
GROSS SALES	28069	122.4	115.6 TO 128.9	25245	125.5	116.1 TO 135.9		
RETURNS & ALLOWANCES	5132	22.4	15.6 TO 28.9	5128	25.5	16.1 TO 35.9		
NET SALES	22936	100.0	100.0 TO 100.0	20117	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	4186	18.3	14.5 TO 23.3	4049	20.1	17.1 TO 24.9		
ROYALTIES	3245	14.1	8.1 TO 16.5	2720	13.5	8.2 TO 14.7		
TOTAL COST OF SALES	7431	32.4	28.1 TO 37.1	6769	33.6	31.2 TO 37.3		
GROSS MARGIN ON SALES	15505	67.6	62.9 TO 71.9	13348	66.4	62.7 TO 68.8		
OTHER INCOME	108	0.5	0.3 TO 0.7	684	3.4	0.1 TO 9.5		
PUBLISHING & OPERATING EXPENSES								
PLANT COSTS	2783	12.1	7.0 TO 15.8	2554	12.7	8.2 TO 16.6		
EDITORIAL	1541	6.7	3.7 TO 8.0	1293	6.4	7.2 TO 7.5		
PRODUCTION	518	2.3	1.2 TO 3.5	433	2.2	1.1 TO 4.0		
MARKETING	4026	17.6	14.3 TO 21.3	3793	18.9	15.9 TO 23.3		
FULFILLMENT	1443	6.3	5.4 TO 7.7	1199	6.0	6.5 TO 7.2		
GENERAL & ADMIN.	3265	14.2	8.6 TO 25.7	3553	17.7	10.4 TO 33.2		
TOTAL PUBL. & OPERATING EXPENSE	13576	59.2	49.8 TO 65.0	12825	63.8	54.8 TO 68.3		
NET INCOME FROM OPERATIONS*	2036	8.9	2.1 TO 15.4	1207	6.0	0.0 TO 10.0		

* Please see corresponding note on page G-13.

Continued on page G-15

Text continued from page G-13

While encouraged to furnish sales data on a **calendar** year basis, publishers were given the option of supplying operating information on a **fiscal** year basis. 9 publishers exercised this option, and 4 others did not indicate if their data were calendar or fiscal year data. For the fiscal year publishers, the month terminating their reporting year is listed below, together with the number of publishers for each such month:

March - 2
April - 3
June - 2
October - 1
November - 1

13 publishers, with net sales of $440.5 million, supplemented their operating data by reporting Cash Plant Expenditures of $36.5 million (8.3% of net sales). Since plant costs in **Table G8** are reported on an accrual basis and subject, therefore, to varying treatment (amortization, write-off, inventory inclusion, etc.) depending on individual publishers' policies, valid comparison of a given publishers' experience with the composite figure becomes difficult. However, by reporting plant expenditures on a cash basis (i.e. actual monies spent during the year not related to books sold or to amortization of amounts previously expended), all reporting companies are, at least, placed on the same footing. By relating the expenditures to these publishers' net sales, a yardstick of comparison is established, even though no true (i.e. accrual) rela-

Text continued on page G-15

TABLE G8 - OPERATING DATA OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page G-14

	4 PUBLISHERS WITH NET SALES $10 TO $25 MILLION							
	1984			1983			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE		
GROSS SALES	95276	120.7	118.1 TO 122.6	87705	120.3	117.2 TO 124.2		
RETURNS & ALLOWANCES	16538	20.7	18.1 TO 22.6	14811	20.3	17.2 TO 24.2		
NET SALES	79738	100.0	100.0 TO 100.0	72894	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	15351	19.3	14.4 TO 25.2	13984	19.2	17.4 TO 21.8		
ROYALTIES	12120	15.2	14.6 TO 15.8	11281	15.5	14.7 TO 15.9		
TOTAL COST OF SALES	27471	34.5	29.4 TO 40.6	25265	34.7	33.1 TO 36.7		
GROSS MARGIN ON SALES	52267	65.5	59.4 TO 70.6	47629	65.3	63.3 TO 66.9		
OTHER INCOME	450	0.6	0.1 TO 1.2	230	0.3	0.1 TO 0.5		
PUBLISHING & OPERATING EXPENSES								
PLANT COSTS	6771	8.5	6.3 TO 10.4	5713	7.8	6.7 TO 8.9		
EDITORIAL	6515	8.2	6.5 TO 10.3	5784	7.9	6.1 TO 9.9		
PRODUCTION	3765	4.7	3.6 TO 5.5	3532	4.8	4.2 TO 5.5		
MARKETING	16203	20.3	16.8 TO 23.5	13552	18.6	16.2 TO 22.0		
FULFILLMENT	5482	6.9	6.5 TO 7.6	4634	6.4	5.9 TO 7.4		
GENERAL & ADMIN.	7582	9.5	6.9 TO 14.0	6544	9.0	6.7 TO 12.7		
TOTAL PUBL. & OPERATING EXPENSE	46318	58.1	52.6 TO 66.6	39759	54.5	50.3 TO 62.9		
NET INCOME FROM OPERATIONS*	6399	8.0	-2.1 TO 14.4	8100	11.1	1.1 TO 15.0		

* Please see corresponding note on page G-13.

Continued on page G-16

Text continued from page G-14

tionship exists between the cash amounts spent on the sales consummated during the year.

To provide an added perspective on the accrual figure reported in **Table G8,** however, publishers were asked to report their methods of treating plant costs:

4 publishers reported using sum-of-the-years' digits systems (varying from 3 to 6 years); 11 publishers used other systems ranging from straight-line to declining balances (over periods of 1 to 5 years). One publisher expensed costs as incurred.

14 publishers with total net sales of $485.4 million reported carrying unamortized plant costs totaling $75.3 million (15.5% of net sales) on their year-end balance sheets. $8.4 million of this amount involved unpublished titles; $25.1 million involved published titles; and $41.8 million were reported without specification.

TABLE G8 - OPERATING DATA OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page G-15

	5 PUBLISHERS WITH NET SALES $25 TO $45 MILLION							
	1984			1983			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE		
GROSS SALES	217289	119.3	114.3 TO 124.5	197308	118.9	114.4 TO 123.4		
RETURNS & ALLOWANCES	35158	19.3	14.3 TO 24.5	31362	18.9	14.4 TO 23.4		
NET SALES	182131	100.0	100.0 TO 100.0	165946	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	33068	18.2	15.1 TO 23.5	30009	18.1	17.1 TO 19.7		
ROYALTIES	25073	13.8	11.7 TO 16.1	22855	13.8	11.3 TO 16.2		
TOTAL COST OF SALES	58141	31.9	27.8 TO 37.9	52864	31.9	29.8 TO 34.1		
GROSS MARGIN ON SALES	123990	68.1	62.1 TO 72.2	113082	68.1	65.9 TO 70.2		
OTHER INCOME	-83	-0.0	-1.0 TO 0.7	307	0.2	-0.7 TO 0.8		
PUBLISHING & OPERATING EXPENSES								
PLANT COSTS	12541	6.9	3.8 TO 11.2	11119	6.7	3.5 TO 10.9		
EDITORIAL	14654	8.0	7.2 TO 9.1	11932	7.2	6.2 TO 8.7		
PRODUCTION	5033	2.8	1.6 TO 4.3	4121	2.5	1.5 TO 4.0		
MARKETING	31118	17.1	15.1 TO 18.9	26000	15.7	13.8 TO 18.0		
FULFILLMENT	11003	6.0	4.5 TO 7.9	9209	5.5	4.6 TO 6.5		
GENERAL & ADMIN.	14213	7.8	5.6 TO 10.7	16490	9.9	8.1 TO 11.9		
TOTAL PUBL. & OPERATING EXPENSE	88562	48.6	40.8 TO 59.1	78871	47.5	40.1 TO 56.2		
NET INCOME FROM OPERATIONS*	35345	19.4	4.6 TO 31.6	34518	20.8	9.5 TO 30.0		

* Please see corresponding note on page G-13.

Continued on page G-17

TABLE G8 - OPERATING DATA OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page G-16

	6 PUBLISHERS WITH NET SALES ABOVE $45 MILLION							
	1984			1983			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		AVERAGE	MID-RANGE		AVERAGE	MID-RANGE		
GROSS SALES	631285	120.5	118.5 TO 121.6	610887	119.7	117.5 TO 122.4		
RETURNS & ALLOWANCES	107539	20.5	18.5 TO 21.6	100360	19.7	17.5 TO 22.4		
NET SALES	523746	100.0	100.0 TO 100.0	510527	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	83940	16.0	14.3 TO 17.5	83502	16.4	14.7 TO 20.2		
ROYALTIES	77106	14.7	13.6 TO 15.9	74759	14.6	13.7 TO 16.1		
TOTAL COST OF SALES	161046	30.7	28.0 TO 32.9	158261	31.0	29.1 TO 34.6		
GROSS MARGIN ON SALES	362700	69.3	67.1 TO 72.0	352266	69.0	65.4 TO 70.9		
OTHER INCOME	6199	1.2	-0.1 TO 1.8	8168	1.6	0.3 TO 2.5		
PUBLISHING & OPERATING EXPENSES								
PLANT COSTS	36974	7.1	5.6 TO 8.5	33119	6.5	5.0 TO 7.9		
EDITORIAL	27811	5.3	4.2 TO 6.8	24403	4.8	3.7 TO 6.4		
PRODUCTION	13351	2.5	1.6 TO 4.0	11439	2.2	1.4 TO 3.3		
MARKETING	75427	14.4	12.8 TO 16.1	69876	13.7	12.0 TO 15.1		
FULFILLMENT	31473	6.0	3.3 TO 8.9	29622	5.8	4.0 TO 7.5		
GENERAL & ADMIN.	57323	10.9	8.1 TO 13.8	58545	11.5	8.7 TO 14.3		
TOTAL PUBL. & OPERATING EXPENSE	242359	46.3	41.0 TO 51.1	227004	44.5	40.9 TO 49.7		
NET INCOME FROM OPERATIONS*	126540	24.2	17.1 TO 31.2	133430	26.1	19.6 TO 28.6		

* Please see corresponding note on page G-13.

TABLE G9 - INVENTORY DATA OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 20 PUBLISHERS
WITH TOTAL NET SALES OF $828,488,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		5 PUBLISHERS NET SALES $25-$45 MILLION		6 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
BEGINNING INVENTORY	125533	15.2	4700	19.5	14989	15.2	26590	14.6	79253	15.1
PURCHASES OF PAPER, PRINTING, BINDING & DUPLICATING	173798	21.0	5906	24.5	22961	23.3	43560	23.9	101371	19.4
COST OF FREE COPIES	18084	2.2	537	2.2	2530	2.6	4236	2.3	10781	2.1
WRITE DOWNS	9488	1.1	271	1.1	1248	1.3	2904	1.6	5065	1.0
ENDING INVENTORY AFTER WRITE DOWNS	138712	16.7	4739	19.6	15222	15.5	32847	18.0	85904	16.4
PAPER, PRINTING, BINDING & DUPL. COST OF PRODUCTS SOLD	142535	17.2	5330	22.1	20197	20.5	33068	18.2	83940	16.0

Based on data in **Table G9**, the inventory turnover of all reporting publishers is 1.1; that of publishers with sales up to $10 million is also 1.1; that of publishers with net sales $10-$25 million is 1.3; that of publishers with net sales $25-$45 million is 1.1; and that of publishers with sales above $45 million is 1.0.

TABLE G10 - ROYALTY EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 18 PUBLISHERS
WITH TOTAL NET SALES OF $786,112,000

	ALL PUBLISHERS		3 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		4 PUBLISHERS NET SALES $25-$45 MILLION		6 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ROYALTIES AND FEES PAID	112752	14.3	2955	15.9	14748	15.0	18751	12.9	76298	14.6
ADVANCES WRITTEN OFF	1264	0.2	0	0.0	203	0.2	253	0.2	809	0.2
TOTAL ROYALTY EXPENSE	114016	14.5	2955	15.9	14951	15.2	19003	13.1	77107	14.7

For **Table G10**, in addition to royalty operating data, publishers were asked to report the level of royalty advances carried on their balance sheets at reporting year end.

For 1984, 15 publishers with net sales of $581.8 million, reported royalty advances before write-off of $22.4 million (3.8% of net sales), and after write-off of $19.1 million (3.3% of net sales). The write-off therefore represented 0.5% of net sales and 14.7% of gross advances.

For 1983, 15 publishers (not the same group) reported royalty advances before write-off of $24.1 million (3.5% of the reported $685.4 million net sales), and after write-off the advances totalled $21.1 million (3.1% of net sales). The write-off therefore represented 0.4% of net sales and 12.3% of gross advances.

TABLE G11 - EDITORIAL EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS
WITH TOTAL NET SALES OF $675,244,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		5 PUBLISHERS NET SALES $25-$45 MILLION		5 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
EDITORIAL COSTS										
DEPARTMENTAL (OTHER THAN COPY EDITING) SALARIES	25070	3.7	1117	4.6	3998	4.1	8639	4.7	11316	3.1
BENEFITS	4583	0.7	110	0.5	640	0.6	1241	0.7	2592	0.7
DEP'T'L TRAVEL & ENT.	4135	0.6	181	0.8	694	0.7	1049	0.6	2211	0.6
ADVISOR'S FEES	3922	0.6	102	0.4	1055	1.1	1227	0.7	1538	0.4
OTHER EDITORIAL EXP.	7443	1.1	221	0.9	1318	1.3	2498	1.4	3406	0.9
TOTAL EDITORIAL EXPENSE	45153	6.7	1731	7.2	7705	7.8	14655	8.0	21063	5.7

TABLE G12 - PRODUCTION EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS
WITH TOTAL NET SALES OF $675,244,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		5 PUBLISHERS NET SALES $25-$45 MILLION		5 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PRODUCTION COSTS										
PRODUCTION SALARIES	8009	1.2	377	1.6	1413	1.4	2186	1.2	4032	1.1
PRODUCTION BENEFITS	1624	0.2	64	0.3	200	0.2	416	0.2	944	0.3
OUTSIDE PRODUCTION COSTS	1489	0.2	0	0.0	382	0.4	476	0.3	630	0.2
COPY EDITING COSTS (INC. SALARIES)	6671	1.0	43	0.2	1492	1.5	741	0.4	4376	1.2
COPY EDITING STAFF BENEFITS	937	0.1	0	0.0	307	0.3	123	0.1	506	0.1
OTHER PRODUCTION EXP.	2128	0.3	77	0.3	337	0.3	1072	0.6	642	0.2
TOTAL PRODUCTION EXPENSE	20858	3.1	562	2.3	4131	4.2	5034	2.8	11130	3.0

TABLE G13 - MARKETING EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS
WITH TOTAL NET SALES OF $675,244,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		5 PUBLISHERS NET SALES $25-$45 MILLION		5 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SELLING EXPENSE										
SALARIES & BONUSES	34536	5.1	1142	4.7	5159	5.2	11148	6.1	17088	4.6
BENEFITS	6213	0.9	133	0.6	842	0.9	1525	0.8	3712	1.0
DEPARTMENTAL TRAVEL & ENTERTAINMENT	12937	1.9	514	2.1	2270	2.3	4253	2.3	5900	1.6
OTHER SELLING EXPENSE	9682	1.4	359	1.5	2478	2.5	3753	2.1	3091	0.8
TOTAL SELLING EXPENSE	63367	9.4	2148	8.9	10748	10.9	20680	11.4	29791	8.0
PROMOTION EXPENSE										
DEPARTMENTAL SALARIES & BONUSES	6014	0.9	159	0.7	1169	1.2	1025	0.6	3661	1.0
BENEFITS	1359	0.2	13	0.1	268	0.3	176	0.1	902	0.2
DEPARTMENTAL TRAVEL & ENTERTAINMENT	619	0.1	2	0.0	52	0.1	137	0.1	428	0.1
SPACE ADVERTISING	2187	0.3	164	0.7	290	0.3	467	0.3	1267	0.3
CATALOGS, DIRECT MAIL & SELLING MAT'L	9754	1.4	341	1.4	1771	1.8	3229	1.8	4413	1.2
FREE COPIES (INCL. POSTAGE)	18720	2.8	775	3.2	3234	3.3	4326	2.4	10385	2.8
FREE ANCILLARY SOFTWARE & FILMS	10	0.0	10	0.0	0	0.0	0	0.0	0	0.0
EXHIBITS	1689	0.3	82	0.3	327	0.3	524	0.3	755	0.2
OTHER	3761	0.6	101	0.4	516	0.5	555	0.3	2588	0.7
TOTAL PROMOTION EXPENSE	44113	6.5	1649	6.8	7627	7.7	10439	5.7	24399	6.6
TOTAL MARKETING EXPENSE	107480	15.9	3797	15.7	18375	18.7	31118	17.1	54190	14.6

TABLE G14 - SALESMEN'S COMPENSATION AND EXPENSE OF COLLEGE PUBLISHERS

	1984	1983	1982	1981
NUMBER OF COMPANIES REPORTING	16	15	14	14
NUMBER OF SALESMEN	819	815	757	743
AVERAGE SALARY ($)	20960	20774	20056	18003
AVERAGE SALARY AND COMMISSION ($)	25117	25070	24283	21801
AVERAGE TRAVEL EXP. ($)	12440	12759	10588	9392
AVERAGE CONFERENCE EXPENSE ($)	1779	1856	1661	1297
AVERAGE FREE COPY EXPENSE ($)	18094	16446	15440	15255

Continued on page G-21

TABLE G14 - SALESMEN'S COMPENSATION AND EXPENSE OF COLLEGE PUBLISHERS

Continued from page G-20

	1984	1983	1982	1981
TOTAL COMPENSATION, TRAVEL, CONFERENCE & FREE COPIES AS A PERCENT OF NET SALES	9.4	9.9	9.9	10.0
AVERAGE TERRITORY SIZE ($000)	602	550	550	485

TABLE G15 - FULFILLMENT EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS

AS REPORTED BY 14 PUBLISHERS WITH NET SALES OF $529,689,000 USING INTERNAL FACILITIES	ALL PUBLISHERS		2 PUBLISHERS NET SALES UP TO $10 MILLION		4 PUBLISHERS NET SALES $10-$25 MILLION		4 PUBLISHERS NET SALES $25-$45 MILLION		4 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ORDER PROCESSING AND CUSTOMER SERVICE										
SALARIES (TOTAL)	8195	1.5			913	1.1	1969	1.4	5200	1.8
ACC'TS RECEIVABLE & CREDIT CNTRL	1460	0.3			192	0.3	255	0.2	994	0.3
ORDER PROCESSING & CUSTOMER SERV.	5826	1.2			251	0.4	1384	1.1	4107	1.4
OTHER	428	0.1			250	0.4	79	0.1	99	0.0
UNSPECIFIED	481				231		250		0	
BENEFITS	1700	0.3			227	0.3	246	0.2	1203	0.4
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	5858	1.1			623	0.8	724	0.5	4426	1.5
OTHER (INC. EQUIPMENT AND SUPPLIES)	1079	0.2			194	0.2	71	0.0	783	0.3
TOTAL ORDER PROCESSING AND CUSTOMER SERVICE	16832	3.2			1958	2.5	3011	2.1	11612	3.9
SHIPPING & WAREHOUSING										
SALARIES	9093	1.7			1130	1.4	3133	2.2	4643	1.6
BENEFITS	1869	0.4			255	0.3	508	0.3	1063	0.4
OCCUPANCY	4341	0.8			1003	1.3	1347	0.9	1924	0.7
EQUIPMENT & SUPPLIES	2255	0.4			381	0.5	737	0.5	1097	0.4
TRANSPORTATION CHRGES	1963	0.4			760	1.0	898	0.6	251	0.1
OTHER	-163	-0.0			-4	-0.0	62	0.0	-246	-0.1
TOTAL SHIPPING AND WAREHOUSING	19357	3.7			3525	4.4	6685	4.6	8733	3.0
TOTAL FULFILLMENT EXP. OF PUBLISHERS USING INTERNAL FACILITIES	36189	6.8			5483	6.9	9696	6.7	20345	6.9

Data for the "Under $10 Million" category have been suppressed to prevent disclosure.

TABLE G16 - GENERAL AND ADMINISTRATIVE EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 18 PUBLISHERS
WITH TOTAL NET SALES OF $638,367,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		4 PUBLISHERS NET SALES $25-$45 MILLION		5 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
MANAGEMENT SALARIES	9301	1.5	558	2.3	1976	2.0	1403	1.0	5363	1.4
MANAGEMENT BENEFITS	2160	0.3	111	0.5	233	0.2	453	0.3	1363	0.4
ACCOUNTING SALARIES	5319	0.8	267	1.1	769	0.8	864	0.6	3420	0.9
ACCOUNTING BENEFITS	1444	0.2	25	0.1	130	0.1	415	0.3	874	0.2
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	4371	0.7	138	0.6	562	0.6	1128	0.8	2543	0.7
GENERAL OFFICE BENEFITS	1450	0.2	214	0.9	104	0.1	447	0.3	685	0.2
GENERAL TRAVEL & ENT.	1816	0.3	97	0.4	163	0.2	519	0.4	1036	0.3
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOCATED)	5373	0.8	67	0.3	401	0.4	1147	0.8	3759	1.0
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	11621	1.8	251	1.0	1728	1.8	2686	1.8	6956	1.9
TAXES (EXCEPT INCOME & PAYROLL TAXES)	2130	0.3	64	0.3	1066	1.1	500	0.3	500	0.1
PERSONAL PROPERTY TAX	819	0.1	4	0.0	259	0.3	417	0.3	140	0.0
ALL OTHER TAXES	1299	0.2	60	0.2	807	0.8	83	0.1	349	0.1
UNSPECIFIED	12		0		0		0		12	
OTHER	18308	2.9	1136	4.7	2896	2.9	1153	0.8	13123	3.5
TOTAL GENERAL AND ADMINISTRATIVE EXP.	63293	9.9	2928	12.1	10029	10.2	10714	7.4	39622	10.7

TABLE G17 - SUMMARY OF EMPLOYEE BENEFITS EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 15 PUBLISHERS
WITH TOTAL NET SALES OF $558,684,000

	ALL PUBLISHERS		2 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		4 PUBLISHERS NET SALES $25-$45 MILLION		4 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PENSIONS	4251	0.8			543	0.6	813	0.6	2865	1.0
DEFERRED PROFIT SHARING	3091	0.6			747	0.8	343	0.2	2000	0.7
HOSPITALIZATION & GROUP INSURANCE	7326	1.3			1679	1.7	2130	1.5	3316	1.1
PAYROLL TAXES	8510	1.5			1455	1.5	2080	1.4	4750	1.6
OTHER	346	0.1			94	0.1	203	0.1	49	0.0
TOTAL EMPLOYEE BENEFITS	23524	4.2			4518	4.6	5568	3.8	12980	4.3

Data for the "Under $10 Million" category have been suppressed to prevent disclosure.

TABLE G18 - EDITORIAL EXPENSE RATIOS OF COLLEGE PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 16 PUBLISHERS
WITH 1984 NET SALES OF $630,596,000

	1984			1983		1982		1981
	PCT NET SALES	PCT CHG FROM 83	PCT CHG FROM 81	PCT NET SALES	PCT CHG FROM 82	PCT NET SALES	PCT CHG FROM 81	PCT NET SALES
EDITORIAL COSTS								
DEPARTMENTAL (OTHER THAN COPY EDITING)								
SALARIES	3.7	7.6	11.2	3.4	2.8	3.3	0.6	3.3
BENEFITS*	0.7	39.6	78.6	0.5	16.1	0.4	10.2	0.4
DEP'T'L TRAVEL & ENT.	0.6	-0.1	6.6	0.6	-3.1	0.6	10.1	0.6
ADVISOR'S FEES	0.6	5.9	5.4	0.5	-9.2	0.6	9.7	0.5
OTHER EDITORIAL EXP.	1.1	14.3	37.4	1.0	10.0	0.9	9.2	0.8
TOTAL EDITORIAL EXPENSE	6.7	10.4	18.7	6.1	3.0	5.9	4.4	5.6

* In AAP Industry Statistics Reports prior to this 1984 edition, **Employee Benefits** were shown as a series of line items on the General and Administrative Table. This is the first year that **benefits** have been allocated in each expense area (Editorial, Production, Marketing, etc.) They are also shown in summary in **Table G23.** While the restatement seems proper for 1984 data, some publishers had difficulty with the historical (1981-83) data and the reader is cautioned that the **benefits** items for 1981-83 may be **understated**, and that the percentage changes from year-to-year for **benefits** may well be **overstated** in **Tables G18 through G22.**

TABLE G19 - PRODUCTION EXPENSE RATIOS OF COLLEGE PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 16 PUBLISHERS
WITH 1984 NET SALES OF $630,596,000

	1984			1983		1982		1981
	PCT NET SALES	PCT CHG FROM 83	PCT CHG FROM 81	PCT NET SALES	PCT CHG FROM 82	PCT NET SALES	PCT CHG FROM 81	PCT NET SALES
PRODUCTION COSTS								
PRODUCTION SALARIES	1.2	3.8	-5.8	1.1	-6.1	1.1	-7.8	1.2
PRODUCTION BENEFITS*	0.2	79.7	112.3	0.1	5.6	0.1	11.8	0.1
OUTSIDE PRODUCTION COSTS	0.2	-0.4	25.2	0.2	9.1	0.2	15.2	0.2
COPY EDITING COSTS (INCL. SALARIES)	1.0	-0.8	34.6	1.0	9.0	0.9	24.4	0.8
COPY EDITING STAFF BENEFITS*	0.1	55.0	136.3	0.1	3.8	0.1	46.9	0.1
OTHER PRODUCTION EXP.	0.3	19.8	44.3	0.2	43.8	0.2	-16.2	0.2
TOTAL PRODUCTION EXPENSE	3.1	10.6	21.3	2.8	4.5	2.6	4.9	2.5

* Please see corresponding note on **Table G-18.**

TABLE G20 – MARKETING EXPENSE RATIOS OF COLLEGE PUBLISHERS

THOUSANDS OF DOLLARS – AS REPORTED BY 16 PUBLISHERS
WITH 1984 NET SALES OF $630,596,000

	1984			1983		1982		1981
	PCT NET SALES	PCT CHG FROM 83	PCT CHG FROM 81	PCT NET SALES	PCT CHG FROM 82	PCT NET SALES	PCT CHG FROM 81	PCT NET SALES
SELLING EXPENSE								
SALARIES & BONUSES	5.2	5.6	-0.9	4.9	-5.0	5.2	-1.2	5.3
BENEFITS*	1.0	80.5	112.1	0.5	7.6	0.5	9.2	0.5
DEPARTMENTAL TRAVEL & ENTERTAINMENT	2.0	-0.1	-1.0	2.0	2.0	1.9	-2.9	2.0
OTHER SELLING EXPENSE	1.4	-5.2	184.5	1.5	33.2	1.1	125.2	0.5
TOTAL SELLING EXPENSE	9.6	7.0	16.8	8.9	2.2	8.8	6.8	8.2
PROMOTION EXPENSE								
DEPARTMENTAL SALARIES & BONUSES	0.9	9.2	-9.6	0.8	-20.9	1.1	4.7	1.0
BENEFITS*	0.2	110.6	131.2	0.1	4.1	0.1	5.4	0.1
DEPARTMENTAL TRAVEL & ENTERTAINMENT	0.1	7.0	-37.1	0.1	-22.0	0.1	-24.6	0.2
SPACE ADVERTISING	0.3	6.8	8.5	0.3	-20.7	0.4	28.2	0.3
CATALOGS, DIRECT MAIL & SELLING MAT'L	1.4	-0.9	1.4	1.4	10.8	1.3	-7.7	1.4
FREE COPIES (INCL. POSTAGE)	2.8	3.8	-3.7	2.7	2.6	2.6	-9.6	2.9
FREE ANCILLARY SOFT-WARE & FILMS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EXHIBITS	0.3	6.6	11.1	0.2	21.3	0.2	-14.1	0.2
OTHER	0.6	-8.9	-33.1	0.6	2.9	0.6	-28.7	0.8
TOTAL PROMOTION EXPENSE	6.5	4.0	-5.2	6.3	-0.9	6.3	-8.1	6.9
TOTAL MARKETING EXPENSE	16.1	5.9	6.8	15.2	0.9	15.1	-0.0	15.1

* Please see corresponding note on page G-23.

TABLE G21 - FULFILLMENT EXPENSE RATIOS OF COLLEGE PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 11 PUBLISHERS
WITH 1984 NET SALES OF $433,798,000

	1984			1983		1982		1981
	PCT NET SALES	PCT CHG FROM 83	PCT CHG FROM 81	PCT NET SALES	PCT CHG FROM 82	PCT NET SALES	PCT CHG FROM 81	PCT NET SALES
ORDER PROCESSING AND CUSTOMER SERVICE								
SALARIES (TOTAL)	1.5	-1.3	15.1	1.5	1.8	1.5	14.5	1.3
ACC'TS RECEIVABLE & CREDIT CNTRL	0.2	-9.7	-7.6	0.3	1.9	0.3	0.3	0.3
ORDER PROCESSING & CUSTOMER SERV.	1.1	2.4	25.3	1.0	0.6	1.0	21.7	0.9
OTHER	0.1	-13.1	10.6	0.1	11.6	0.1	14.0	0.1
UNSPECIFIED	0.1	-3.4	-16.6	0.1	6.7	0.1	-19.1	0.1
BENEFITS*	0.3	228.1	301.8	0.1	6.6	0.1	14.9	0.1
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	0.9	20.7	47.6	0.8	-3.7	0.8	27.0	0.6
OTHER (INC. EQUIPMENT AND SUPPLIES)	0.2	0.7	-31.0	0.2	-8.9	0.2	-24.8	0.2
TOTAL ORDER PROCESSING AND CUSTOMER SERVICE	2.9	13.8	29.0	2.5	-0.5	2.5	14.0	2.2
SHIPPING & WAREHOUSING								
SALARIES	1.6	-1.5	-0.2	1.6	0.2	1.6	1.1	1.6
BENEFITS*	0.3	190.4	429.4	0.1	-8.6	0.1	99.5	0.1
OCCUPANCY	0.8	10.6	19.1	0.7	-2.9	0.7	10.9	0.6
EQUIPMENT & SUPPLIES	0.4	9.4	13.1	0.4	-17.1	0.4	24.8	0.4
TRANSPORTATION CHRGES	0.4	9.7	-13.6	0.4	-23.3	0.5	2.7	0.5
OTHER	0.0	-39.6	-81.3	0.0	101.3	0.0	-84.6	0.1
TOTAL SHIPPING AND WAREHOUSING	3.5	10.0	8.4	3.2	-5.7	3.4	4.6	3.3
TOTAL FULFILLMENT EXP. OF PUBLISHERS USING INTERNAL FACILITIES	6.4	11.6	16.8	5.7	-3.5	5.9	8.4	5.5

* Please see corresponding note on page G-23.

TABLE G22 - GENERAL AND ADMINISTRATIVE EXPENSE RATIOS OF COLLEGE PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 14 PUBLISHERS
WITH 1984 NET SALES OF $573,681,000

	1984			1983		1982		1981
	PCT NET SALES	PCT CHG FROM 83	PCT CHG FROM 81	PCT NET SALES	PCT CHG FROM 82	PCT NET SALES	PCT CHG FROM 81	PCT NET SALES
MANAGEMENT SALARIES	1.3	5.0	12.3	1.3	5.0	1.2	1.9	1.2
MANAGEMENT BENEFITS*	0.3	165.6	81.9	0.1	33.7	0.1	-48.8	0.2
ACCOUNTING SALARIES	0.8	-6.9	0.2	0.9	8.4	0.8	-0.7	0.8
ACCOUNTING BENEFITS*	0.2	105.1	215.6	0.1	17.0	0.1	31.5	0.1
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	0.7	-15.5	-18.9	0.8	5.2	0.8	-8.8	0.9
GENERAL OFFICE BENEFITS*	0.2	-29.2	-27.8	0.3	-5.9	0.4	8.4	0.3
GENERAL TRAVEL & ENT.	0.3	28.5	19.6	0.2	5.5	0.2	-11.8	0.3
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOCATED)	0.9	-11.9	28.7	1.0	25.2	0.8	16.7	0.7
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	1.8	1.8	-3.2	1.8	-9.2	1.9	4.8	1.8
TAXES (EXCEPT INCOME & PAYROLL TAXES)	0.2	7.1	-7.6	0.2	-15.7	0.2	2.3	0.2
PERSONAL PROPERTY TAX	0.1	-23.9	-6.7	0.2	-8.3	0.2	33.7	0.1
ALL OTHER TAXES	0.1	192.3	20.0	0.0	-43.3	0.1	-27.6	0.1
UNSPECIFIED	0.0	-74.6	-91.7	0.0	10.1	0.0	-70.2	0.0
OTHER	2.9	-7.6	8.6	3.2	-4.3	3.3	22.8	2.7
TOTAL GENERAL AND ADMINISTRATIVE EXP.	9.9	-1.4	6.7	10.0	0.6	9.9	7.5	9.2

* Please see corresponding note on page G-23.

TABLE G23 - EMPLOYEE BENEFITS EXPENSE RATIOS OF COLLEGE PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 12 PUBLISHERS
WITH 1984 NET SALES OF $487,868,000

	1984			1983		1982		1981
	PCT NET SALES	PCT CHG FROM 83	PCT CHG FROM 81	PCT NET SALES	PCT CHG FROM 82	PCT NET SALES	PCT CHG FROM 81	PCT NET SALES
PENSIONS	0.8	-23.0	-1.2	1.1	41.8	0.8	-9.5	0.8
DEFERRED PROFIT SHARING	0.5	5.1	31.9	0.5	5.4	0.5	19.1	0.4
HOSPITALIZATION & GROUP INSURANCE	1.3	19.2	44.8	1.1	20.2	0.9	1.1	0.9
PAYROLL TAXES	1.5	14.4	16.8	1.4	1.6	1.3	0.5	1.3
OTHER	0.1	3.8	8.8	0.1	-41.1	0.1	77.9	0.1
TOTAL EMPLOYEE BENEFITS	4.2	4.3	21.0	4.1	14.1	3.6	1.7	3.5

TABLE G24 - EMPLOYEE DATA OF COLLEGE PUBLISHERS

AS REPORTED BY 12 PUBLISHERS - EMPLOYING 2,947 TOTAL STAFF (1984)
(1984 NET SALES PER EMPLOYEE - $171,455)

	AVERAGE NUMBER OF EMPLOYEES PER $1,000,000 OF NET SALES				YOUR DATA			
	1984	1983	1982	1981				
ACQUISITION & DEVELOPMENT	1.2	1.2	1.4	1.5				
PRODUCTION, EDITORIAL & MANUFACTURING	0.9	0.8	0.9	0.9				
MARKETING (TOTAL)	2.4	2.4	2.7	2.8				
SALES	1.9	1.9	2.1	2.2				
PROMOTION	0.5	0.5	0.6	0.6				
ADMINISTRATIVE MANAGEMNT	0.4	0.3	0.3	0.3				
OTHER	1.0	0.9	0.8	0.8				
ALL EMPLOYEES	5.8	5.7	6.1	6.4				

(The following is text material for **Table G7b** which appears on page G-12)

In **Table G7b,** estimated sales are related to enrollment data on a state-by-state basis. 1984 and 1983 again utilize estimated **full-time equivalent** fall enrollment data. The estimates are based on data released by the National Center for Education Statistics. Since both sales and enrollments are estimated and no adjustments are made for the sales of college textbooks to markets other than formal higher education, the resulting per capita figures **should not be taken literally** but should be regarded as trend indicators only.

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ASSOCIATION OF AMERICAN PUBLISHERS

1985 INDUSTRY STATISTICS

COMPILED BY

Statistical Service Center

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TABLE OF CONTENTS

All SALES Tables and Figures include both 1984 and 1985 data except as shown. All tables including UNIT data are so noted in this Table of Contents.

All OPERATING DATA Tables include 1985 data only, except as noted.

Page(s)		
		AAP Letter
		Instructions for Preparing Your Looseleaf Binder
i-ii		Report Title and Copyright Notice
iii-vi		Table of Contents
vii		Economic Review of the Year: 1985
viii		Acknowledgements
ix-x		Statistics Committees
xi-xii		Participating Publishers
xiii-xiv		Introduction
xv-xvi	Table S1	Estimated Book Publishing Industry Sales 1972, 1977, 1982, 1984-85
xvii	Figure S1	Estimated Book Publishing Industry Sales 1972, 1977, 1982, 1984-85
	Figure S2	1985 Income From Operations by Industry Segment
		Section A - Trade & Religious Book Publishers and Divisions
A1	Table A1	Actual and Estimated Trade and Religious Book Sales
A2	Figure A1	Estimated Trade and Religious Book Net Sales 1972, 1977, 1982, 1984-85
A3-A5	Table A2	Trade Book Sales by Type of Book (Dollars and Units)
A6-A7	Table A3	Domestic Net Trade Book Sales by Type of Customer 1985
A8	Table A4	Net Trade Book Sales by Geographical Location 1985
A9-A10	Table A5	Operating Data of Trade Book Publishers by Type of Book
A11	Table A6	Manufacturing Expense by Type of Book
	Table A7	Royalty Expense by Type of Book
A12	Table A8	Other Publishing Income by Type of Book
A13	Table A9	Editorial Expense by Type of Book
	Table A10	Production Expense by Type of Book
A13-A14	Table A11	Marketing Expense by Type of Book
A14	Table A12	Fulfillment Expense by Type of Book
A15	Table A13	General and Administrative Expense by Type of Book
	Table A14	Summary of Employee Benefits Expense by Type of Book
A16-A17	Table A15	Operating Data of Trade Book Publishers by Size of Publisher
A17	Table A16	Manufacturing Expense by Size of Publisher
A18	Table A17	Royalty Expense by Size of Publisher
	Table A18	Other Publishing Income by Size of Publisher
A19	Table A19	Editorial Expense by Size of Publisher
	Table A20	Production Expense by Size of Publisher
A20	Table A21	Marketing Expense by Size of Publisher
A21	Table A22	Fulfillment Expense by Size of Publisher
A22	Table A23	General and Administrative Expense by Size of Publisher
	Table A24	Summary of Employee Benefits Expense by Size of Publisher
A23	Figure A2	1985 Disposition of Income by Trade and Religious Book Publishers
	Table A25	Employee Data
A24	Table A26	Billings and Receivables
	Table A27	Inventory Turnover

Continued on page iv

TABLE OF CONTENTS

Continued from page iii

Page(s)		
		Section B – Technical, Scientific, Business, Medical, and Other Professional Book Publishers and Divisions
B1	Table B1a	Sales of Professional Books by Category of Publication
B2	Figure B1	Estimated Professional Book Net Sales 1972, 1977, 1982, 1984–85
B2–B3	Table B1b	Sales of Professional Books by Category of Publication (Dollars and Units)
B4	Table B2	Net Sales of Professional Books by Subject Category (Dollars and Units)
B5	Table B3	Domestic Net Sales of Professional Books by Type of Customer 1985
B6	Table B4	Net Sales of Professional Books by Geographical Location 1985
B6–B7	Table B5	Operating Data of Professional Book Publishers by Category of Publication
B8	Table B6	Manufacturing Expense by Category of Publication
B9	Table B7	Royalty Expense by Category of Publication
	Table B8	Other Publishing Income by Category of Publication
B10	Table B9	Editorial Expense by Category of Publication
	Table B10	Production Expense by Category of Publication
B11	Table B11	Marketing Expense by Category of Publication
B12	Table B12	Fulfillment Expense by Category of Publication
B13	Table B13	General and Administrative Expense by Category of Publication
	Table B14	Summary of Employee Benefits Expense by Category of Publication
B14–B15	Table B15	Operating Data of Professional Book Publishers by Size of Publisher
B15	Table B16	Manufacturing Expense by Size of Publisher
B16	Table B17	Royalty Expense by Size of Publisher
	Table B18	Editorial Expense by Size of Publisher
B17	Table B19	Production Expense by Size of Publisher
	Table B20	Marketing Expense by Size of Publisher
B18	Table B21	Fulfillment Expense by Size of Publisher
B19	Table B22	General and Administrative Expense by Size of Publisher
	Table B23	Summary of Employee Benefits Expense by Size of Publisher
B20	Figure B2	1985 Disposition of Income by Professional Publishers
	Table B24	Employee Data
B21	Table B25	Billings and Receivables
	Table B26	Inventory Turnover
		Section C – Mass Market Paperback Publishers
C1–C2	Table C1	Sales of Mass Market Paperbacks 1983–85 (Dollars and Units)
C2–C3	Table C2a	Sales of Rack-Sized Mass Market Paperbacks by Type of Customer 1983–85 (Dollars and Units)
C4	Table C2b	Sales of Non-Rack-Sized Mass Market Paperbacks by Type of Customer 1983–85 (Dollars and Units)
C5	Table C3a	Operating Data of Mass Market Paperback Publishers (Rack-Sized Books Only), 1984–85
C6	Table C3b	Revenues and Cost of Sales of Non-Rack-Sized Book Publishers, 1984–85
	Table C4	Reserve For Returns of Mass Market Paperback Publishers, 1984–85
C7	Table C5	Editorial, Production, and Marketing Expense (Rack-Sized Books Only), 1984–85
C8	Table C6	Employee Data (All Products), 1984–85
	Table C7	Guarantees (All Products), 1984–85

Continued on page v

TABLE OF CONTENTS

Continued from page iv

Page(s)		
		Section D - Book Clubs and Mail Order Publications
D1-D2	Table D1	Sales by Book Clubs (Dollars and Units)
D2	Table D2	Gross Sales by Book Clubs by Category of Sale 1985
D3	Table D3	Geographical Distribution of Gross Sales by Book Clubs 1985
	Table D4	Operating Data of Book Clubs, 1984-85
D4	Table D3a	Domestic Membership Data 1985
	Table D5	Advertising and Promotion Expense of Book Clubs
D5	Table D8	Consumer Mail Order Sales of Mail Order Publications (Dollars and Units)
	Table D9	Mail Order Publications Operating Data, 1984-85
D6	Table D8a	Net Educational, Trade, and Specialty Sales of Mail Order Publications 1985
	Table D11	Receivables and Bad Debts
		Section T - Estimated Elhi and College Industry Sales
F1	Table T1	Estimated Industry Sales of Textbooks, Educational Materials & Standardized Tests 1972, 1977, 1982, 1984-85
F2	Table T2	Estimated Domestic Industry Sales of Textbooks Related to Student Enrollment 1972, 1977-85
		Section F - School (Elhi) Publishers and Divisions
F3	Table F1	Sales of Elementary Textbooks and Materials (Dollars and Units)
F4	Table F2	Sales of High School Textbooks and Materials (Dollars and Units)
	Table F3	Sales of Elementary Textbooks and Materials by Subject Categories
F5	Table F4	Sales of High School Textbooks and Materials by Subject Categories
F6-F7	Table F5a	Sales of Elhi Textbooks and Materials by Geographical Location
F7	Figure F1	Estimated Elhi Textbook Net Sales 1972, 1977, 1982, 1984-85
F8-F9	*Table F5b	Estimated Industry Sales of Elhi Textbooks by Geographical Location
F9-F10	*Table F6	Geographical Analysis of Estimated Industry Sales of Elhi Textbooks
F11-F14	Table F7	Operating Data of Elhi Publishers by Size of Publisher, 1984-85
F15	Table F8	Inventory Data of Elhi Publishers by Size of Publisher
	Table F9	Cash Plant Expenditures of Elhi Publishers by Size of Publisher
F16	Table F10a	Editorial Expense of Elhi Publishers by Size of Publisher
	Table F10b	Production Expense of Elhi Publishers by Size of Publisher
F17	Table F11	Marketing Expense of Elhi Publishers by Size of Publisher
F18	Table F12	Fulfillment Expense of Elhi Publishers by Size of Publisher
F19	Table F13	General and Administrative Expense of Elhi Publishers by Size of Publisher
	Table F14	Summary of Employee Benefits Expense of Elhi Publishers by Size of Publisher
F20	Table F15	Billings and Receivables of Elhi Publishers
	Table F16	Employee Data of Elhi Publishers
	Table F17	Selected Balance Sheet Data of Elhi Publishers

* denotes tables that involve estimated data and which will be distributed at a later date, as available.

TABLE OF CONTENTS

Continued from page v

Page(s)		
		Section G - College Publishers and Divisions
G1-G2	Table G1	Estimated Industry Sales of College Textbooks
G2-G3	Table G2	Sales of College Textbooks and Materials (Dollars and Units)
G4	Table G3	Net Sales of College Textbooks and Materials by Product Category 1982-85 (Dollars and Units)
G5	Table G5	Domestic Net Sales of College Textbooks and Materials by Market Category
	Table G6a	Net Sales of New and Revised and Backlist College Textbooks 1982-85 (Dollars and Units)
G6-G7	Table G6b	Domestic Net Sales of College Textbooks and Materials by Subject Categories 1983-85
G7-G10	Table G6c	Domestic Net Sales of College Textbooks by Subject Categories 1982-85 (Dollars and Units)
G10-G11	*Table G7a	Net Sales of College Textbooks and Materials by Geographical Location
G12	*Table G7b	Geographical Analysis of Estimated Domestic Industry Sales of College Textbooks
G13-G17	Table G8	Operating Data of College Publishers by Size of Publisher, 1984-85
G18	Table G9	Inventory Data of College Publishers by Size of Publisher
	Table G10	Royalty Expense of College Publishers by Size of Publisher
G19	Table G11	Editorial Expense of College Publishers by Size of Publisher
	Table G12	Production Expense of College Publishers by Size of Publisher
G20	Table G13	Marketing Expense of College Publishers by Size of Publisher
G20-G21	Table G14	Salesmen's Compensation and Expense of College Publishers, 1982-85
G21	Table G15	Fulfillment Expense of College Publishers by Size of Publisher
G22	Table G16	General and Administrative Expense of College Publishers by Size of Publisher
	Table G17	Summary of Employee Benefits Expense of College Publishers by Size of Publisher
G23	Table G18	Editorial Expense Ratios of College Publishers, 1982-85
	Table G19	Production Expense Ratios of College Publishers, 1982-85
G24	Table G20	Marketing Expense Ratios of College Publishers, 1982-85
G25	Table G21	Fulfillment Expense Ratios of College Publishers, 1982-85
G26	Table G22	General and Administrative Expense Ratios of College Publishers, 1982-85
	Table G23	Employee Benefits Expense Ratios of College Publishers, 1982-85
G27	Table G24	Employee Data of College Publishers, 1982-85

* denotes tables that involve estimated data and which will be distributed at a later date, as available.

ECONOMIC REVIEW OF THE YEAR: 1985

We acknowledge gratefully the assistance of Adren Cooper, Office of the Chief Economist, U.S. Department of Commerce, for preparing this review.

It was one of the best of times for importers, homebuyers, and consumers of gasoline and food, but it was one of the toughest times for the oil patch and the potato patch. The year 1985 was a pleasing one in terms of increases in jobs and incomes even if the economic engine began to show signs of wear in the third year of recovery.

A three-year run is about average for an economic recovery and by the end of 1985 a shift to a slower pace was confirmed: gross national product increased at a rate of more than 6 percent a year in the first 18 months of recovery but advanced at a rate of only slightly over 2 percent over the next 18 months. The economy did not seem to be in danger of backing into a recession -- but it also showed few signs of resuming a strong rate of growth.

An awkward silence became ever more noticeable as economists listened for sounds of overheating. Interest rates continued to decline and inflation cooled again instead of going up the scale. Bumper crops, imports, and a continued erosion of international oil prices all helped in holding down inflation pressures. Utilization of capacity in manufacturing seemed stuck at 80 percent, well below the proportions that prevailed near the end of previous recoveries.

Reasons for the lack of pressure on industrial capacity were easy to spot: Each wave of imports seemed larger than the one before; manufacturing capacity rose as fixed investment spending in this sector expanded more than 10 percent on top of a jump of almost 20 percent the year before; and productivity gains kept rolling along at about 4 percent per year in manufacturing even though output-per-hour for the whole economy rose only modestly after sparkling advances early in the recovery.

Industrial production registered a gain of about 2 percent in 1985 even though employment in that sector declined slightly. The nation's factories had turned out about one-fourth more goods than in the late 1970s, a feat that was accomplished with about 7 percent fewer workers -- about 19.5 million compared with 21 million in 1979.

Overall employment, however, was still one of the bright spots. Even at a slower pace of expansion the economy produced three million new jobs. The ratio of the number of employees to the population continued to set records as women continued to stream into the workplace: 70 percent of the new jobs represented adult women workers.

A steady decline in the exchange rate of the dollar -- following years of strong upward movement in the early 1980s -- produced higher profits for U.S. firms operating overseas, and this produced a new wave of confidence in financial markets. The weaker dollar offered hope of eventual improvement in the trade account but, for the moment, the deficit got larger as imports continued to flow and the weaker dollar raised their prices. (Most analysts believed that those higher prices eventually would cause Americans to reduce their purchases of foreign products.)

The foreign trade deficit climbed to almost $149 billion compared with $123 billion in 1984. This was a slower deterioration than the near-doubling of the deficit in 1984, but it was still a bigger bite out of GNP and it put the net investment position of the nation into the red for the first time since early in the century. Although the United States became, in one jump, not only a "net debtor," but a debtor of more than $100 billion and therefore the largest in that category. This strange label for the world's richest nation becomes bizzare when several major mitigating factors are taken into consideration: unlike most other nations, the United States has an obvious advantage in that its debt is denominated in its own currency; much of the U.S. business investment abroad is carried at a low book value which was established when it was acquired decades ago; and the nation's gold stock, if valued at market instead of the monetary price, would virtually wipe out the debt.

The word "debt" kept cropping up in other economic contexts. The national debt began to approach $2 trillion with the prospect of $200 billion per year increases through the 1980s. Interest on the debt had become the third largest expenditure in the Federal budget and was being cited quite often as a permanent drag on the economy. Congress set up a semi-automatic device to produce a tapering of budget deficits.

Servicing of debt remained a major problem for many developing nations and restrained their capacity to buy exports from the United States. Some concern lingered over the ability of large U.S. banks to continue to carry this foreign debt. The gradual decline in oil prices, however, caused a major shift in the objects of concern. Banks failed at an unprecedented rate, but they were mostly small institutions that had made large loans to producers and developers of oil, or to farmers. The latter were buffered by a continuation of low prices and sluggish sales abroad. Some loans were based on the assumption that oil prices would soar as they did in the 1970s.

As oil prices faded over a period of several years, activity in petroleum country declined and investment in drilling was sharply curtailed. Some reversals of regional patterns occurred; for example, Massachusetts, with a humming electronics industry, had one of the lowest unemployment rates in the nation and even New York and New Jersey had lower rates than Texas.

Continued on page viii

ACKNOWLEDGEMENTS

My thanks to Thomas D. McKee, AAP Executive Vice-President and to Seymour Turk, Chairman AAP Statistics Committee for their continued support in the development of this AAP Annual Statistics volume.

My thanks also to all the Winter's who have "put-up" with this project; with the redesign and development of the 1986 questionnaires, and for enduring the production process of the report itself. To Sally, for doing most of the data entry, and for overseeing the production and distribution of the report. To Andrew, Josh and Noah who each walked some seven miles in collating and preparing the copies!

A special thanks to the publishers who joined the project this year. The list of participants is up about 20% over last year! I hope you find the AAP Annual Statistics to be of value and that you, and even more of your fellow publishers will participate in next year's effort.

Finally, my thanks to the many people, both on AAP Divisional Statistics Committees, and those simply interested in this project for their suggestions, questions, comments, and especially their cooperation.

Robert F. Winter
STATISTICAL SERVICE CENTER

ECONOMIC REVIEW OF THE YEAR: 1985

Continued from page vii

The consumer also was pictured as being loaded with debt, but he or she did not seem concerned. An old-fashioned spending spree kept the economy moving, and consumer surveys indicated that it would be sustained for some time to come. Although installment debt was high in relation to income, buying power was bolstered by rising prices in the financial markets and more flexibility in using equity in housing. And, the two-percentage-point drop in mortgage rates aided both buyers and sellers of homes. Homebuilding registered another good year and seemed to be headed even higher.

Interest rates also seemed to be a dominant factor in some types of consumer sales. Auto sales hit a new high for the decade when manufacturers offered special rates on auto loans. The stock market zoomed upward near the end of the year, presumably in response to falling interest rates, although several other factors were involved: lower oil prices, lower inflation, and higher profits.

Many investors seemed to be counting on lower interest rates to produce more homebuilding and auto sales, and the lowest rate of inflation -- about 3-1/2 percent -- since the early 1970s to provide a foundation of confidence for everyone. Also, most analysts expected that the weaker dollar at some point would at least cut into the heavy deficit in the foreign trade accounts. Improvement there would mean the easing of a major drag on the nation's gross national product.

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Continued on page x

Continued from page ix

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Charles Merrill

PARTICIPATING PUBLISHERS

Code letters following the participant's name identify the divisions to which that publisher responded:

A – Trade and Religious
B – Professional
C – Mass Market Paperback
D – Book Clubs and Mail Order Publications
F – School (Elhi)
G – Higher Education (College)

Publishers are listed, in accordance with their own choice, either as corporate entities or with subsidiaries shown separately, depending on the manner in which their data was supplied to the Survey.

Harry N. Abrams	A
Addison-Wesley Publ. Co.	A, F, G
Allyn & Bacon	D, F, G
American Chemical Society	B
American Geophysical Union	B
American Hospital Publishing	B
American Mathematical Society	B
Arbor House	A
Aspen Publishers	B
Avon Books	C
Bantam Books	A, C
Berkley Publishing Group	C
Book-of-the-Month Club	D
R.R. Bowker Co.	B
Broadman/Holman	A
Brookings Institution	B
William C. Brown Publ.	G
Burgess International Group	G
CBS Educational & Prof'l Publ.	F, G
Computer Science Press	B, F, G
Marcel Dekker	B
Dell Publishing	A, C
Dodd Mead & Co.	A
Doubleday & Co.	A, D
Dushkin Publishing	G
Elsevier Science Publishing	B
Ginn & Co.	F
Good News Publishers	A
Grolier, Inc.	A, D
Harcourt Brace Jovanovich	G
Harper & Row, Publishers	A, B, G
D.C. Heath & Co.	B, F, G

Continued on page xii

PARTICIPATING PUBLISHERS

Continued from page xi

Houghton-Mifflin Co.	A, F, G
Hudson Hills Press	A
Industrial Press	B
Island Press	B
Jossey-Bass Inc., Publ.	B
Laidlaw Brothers	F
Little, Brown & Co.	A, B
Love Publishing	G
Macmillan Publ.	A, B, F, G
Market Data Retrieval	D
McDougal, Littell & Co.	F
McGraw-Hill Book Co.	A, B, D, F, G
McKinzie Publishing	A
Merriam-Webster	A
Merrill Publishing	F, G
Moody Press	A
William Morrow & Co.	A
The C.V. Mosby Co.	B
National Ass'n of Social Workers	B
National Publishing Co.	A
New American Library	A, C
W.W. Norton & Co.	A, G
Open Court Publishing	F
Oxford University Press	A, B, G
Plenum Publishing	B
Prentice-Hall	A, B, D, F, G
Price/Stern/Sloan	A
PSG Publishing	B
Putnam Publishing Group	A
Rand McNally & Co.	A
Random House	A, C, F, G
Lynne Rienner Publ.	B
Riverside Publishing Co.	F
St. Luke's Press	A
St. Martin's Press	A, G
W.B. Saunders	B
Scholastic	F
Scientific Datalink	B
Scott, Foresman & Co.	F, G
Silver Burdett Co.	F
Simon & Schuster	A, B, C
Sinauer Associates	G
South-Western Publishing Co.	F, G
Springer-Verlag NY	B
Steck-Vaughn	F

Continued on page xviii

INTRODUCTION

AAP Statistical Surveys embrace the entire book publishing industry, educational as well as general, including activities of publishers who produce audio-visual and other non-print materials. All major divisions of the industry are given detailed coverage in this volume, except Subscription Reference (i.e. encyclopedia and related product), Standardized Tests, and University Presses whose activities appear only in summary form or in industry estimates, since detailed reports for these groups are issued separately.

The divisions for which extensive marketing and operating data have been provided in this volume are:

Trade and Religious - Section A
Professional - Section B
Mass Market Paperback - Section C
Book Club & Mail Order Publ. - Section D
Elhi Textbooks and Materials - Section F
College Textbooks and Materials - Section G

In addition, estimates of total industry activity are provided in Table S1 following this introduction, and, for the educational portion of the industry, in tables T1 and T3.

Most of the features of the prior years reports have been retained. It should be noted, however, that the 1984 information in this 1985 Industry Statistics may vary from comparable data in the 1984 Industry Statistics Report. This is due to differing respondents in each year.

Publishers and organizations both within and without AAP were asked to contribute data. A complete list of participating publishers is included with this report.

HOW TO UTILIZE THIS SURVEY

The key to a meaningful and useful industry statistical report is comparability. If a publisher, attempting to relate his own experiences to the composite data, finds that he can do so with relative ease, he is likely to reap considerable benefits from an analysis of common experience.

A number of strategies have been employed in this report to enhance comparability. Structurally, the survey brings together groups of publishers who operate in similar economic circumstances. The factors which contribute to a communality of statistical interests are, predominantly, similarities of product, of market, and of marketing technique. These are similarities, however, not identities. The character of the material published, the intended consumer, and the means of reaching him often vary considerably even among publishers in the same division. In consequence, methods of record keeping and accounting frequently differ as well.

INTERPRETING THE DATA

To achieve comparability for all requires that statistical information be produced in a common language, understandable and applicable to all. Hence common definitions, formulated on a divisional basis, reflect majority practice in each division.

When a publisher reports to the survey, he translates his data into the common language, thus making it comparable with data from other contributors. This is vital if a meaningful result is to be obtained. **What is equally important, however, is that in analyzing the report, a publisher translate the data back into his own particular terms.** Only if he does so can the composite experience become genuinely meaningful to him.

Certainly, as an indispensable first step, the contributing publisher should compare his own submission, already rendered in the common language, to the report and by that means move on to a full translation.

Interpretation of the data, and relating it to his own circumstances requires that a publisher

Continued on page xiv

DEFINITIONS AND INSTRUCTIONS

Copies of the questionnaires, definitions and instructions, which were furnished to participating publishers, are available on request from the AAP New York Office.

It is essential that the reader familiarize himself with the General Instructions and Definitions, as well as with specific instructions and definitions of any section to which he refers, in order to give correct interpretation to the data presented.

Continued from page xiii

exercise imagination and analytical skill. He must detect similarities, as well as differences, between himself and the industry group portrayed. This introduction, the text with the tables, and the definitions contained in the questionnaires (available on request from the AAP New York Office), will alert the analyst to most of the difficulties in this area.

METHODS OF GATHERING AND REPORTING DATA

The Survey adopted a flexible attitude regarding the extent of detail publishers were able to furnish about their sales and operating experience. While encouraging them to provide as much specific information as possible, it also urged them to supply at least totals or summaries whenever details were not available.

Consequently, in reporting data on varying levels of details, the following devices have been employed:

Tables reporting sales or operating ratios for categories of publication or types of book, contain vertical lead columns headed "All Sales" or "All Publishers", followed by columns devoted to "Hardbound", "Paperbound" or other categories. In such cases data that publishers have not broken down by category will appear in the "All Sales" or "All Publishers" column, **along with** the sum of the detailed figures in the remaining columns, while **only specific** data pertaining to the detailed categories will appear in the category column proper. As a result, the detail columns will **not add horizontally** to equal the ammounts shown in the summary columns. In most cases, the summary column will show amounts **larger** than the total of the detailed columns. (A space break is inserted between the summary columns and the detail columns to emphasize this point).

Horizontal line entries, when representing breakdowns subsequently totaled, may be followed by a line designated **"Unspecified".** This line represents that portion of the total data for which breakdowns have not been furnished by publishers. However, whenever percentages of totals are reported with lines giving breakdowns, these percentages are calculated assuming that the "Unspecified" amounts would break down in the same proportion to the total as the detail actually reported. Accordingly, no percentage relationship to the total is assigned to "Unspecified" entries. (In Section C, Mass Market Paperback, unspecified **data** are allocated in the same proportions as reported data and are **not** shown separately as "Unspecified").

In reporting **Operating Data in Sections A and B,** the principal income and expense areas are summarized in two **main tables** by: a. **category** or **type** of book published; and b. **size** of publisher. The main tables are followed by **detail tables** in which income and expense areas are analyzed by more specific breakdowns. (In **Sections F and G** the analysis is by **size** only).

It is important to remember that the **population of publishers reporting to the main operating table and to each of the detailed tables may not necessarily be the same.** In fact, for certain categories of income or expense, some publishers' data will appear only in the main table, while others' will appear in both, and certain others' only in the detail tables. (The last instance may involve publishers who, because they did not report Gross Sales and Returns but only Net Sales, could not be included in the main table, but who furnished income and cost details which could be related to their Net Sales and reported in the detail tables, or publishers who could report data for 1985 only, while the main table may have required both 1984 and 1985 data).

To provide full **perspective on the population** represented in each table, be it a main or detail table, the following information is normally furnished:

1. Number of Publishers Included
2. Net Sales of Publishers Included

Readers should not be misled, however, by a **superficial examination** of the **number** of publishers represented in, for example, a main table and a related detail table. Only if **both** the **Net Sales AND the number of reporting publishers** appear to match is it likely that the same population is represented. Similarities of number **OR** Net Sales should not be mistaken for identities!

In this connection, please note that the following populations are identical:

The publishers included in the **two main tables** (i.e. the **same** publishers' data are analyzed by category and size.

The publishers included in each group of two income or expense sub-tables (e.g. the editorial experience of the **same** publishers are analyzed by category and size.

Accordingly, the "All Publishers" vertical lead columns will be identical in each of the two main tables, the two editorial expense tables, the two marketing expense tables, etc. The remaining columns will change, however, in accordance with the nature of the analysis by category and size.

ESTIMATING BY PUBLISHERS

To restate their data in the common language of the definitions and to satisfy requests for detailed breakdowns, required that publishers estimate some of the information they supplied to this Survey. Not only were they encouraged to do so, but specific

Continued on page xvi

TABLE S1 - ESTIMATED BOOK PUBLISHING INDUSTRY SALES 1972, 1977, 1982, 1984-85

MILLIONS OF DOLLARS

	1972	1977	1982		1984		1985			
	$	$	$	PCT CHG FROM 77	$	PCT CHG FROM 82	$	PCT CHG FROM 84	PCT CHG FROM 82	PCT CHG FROM 77
TRADE (TOTAL)	444.8	887.2	1355.5	52.8	1695.9	25.1	1988.7	17.3	46.7	124.2
ADULT HARDBOUND	251.5	501.3	671.6	34.3	833.4	24.1	995.9	19.5	48.3	98.7
ADULT PAPERBOUND #	82.4	223.7	452.0	102.1	582.1	28.8	656.6	12.8	45.3	193.5
JUVENILE HARDBOUND	106.5	136.1	180.3	32.5	208.2	15.5	250.7	20.4	39.0	84.2
JUVENILE PAPERBOUND	4.4	26.1	51.5	97.3	72.1	40.0	85.5	18.6	66.0	227.6
RELIGIOUS (TOTAL)	117.5	250.6	390.0	55.6	461.7	18.4	455.0	-1.5	16.7	81.6
BIBLES, TESTAMENTS, HYMNALS & PRAYER-BOOKS	61.6	116.3	163.7	40.8	182.0	11.2	174.7	-4.0	6.7	50.2
OTHER RELIGIOUS	55.9	134.3	226.2	68.4	279.7	23.7	280.3	0.2	23.9	108.7
PROFESSIONAL (TOTAL)	381.0	698.2	1230.5	76.2	1458.1	18.5	1561.0	7.1	26.9	123.6
TECHNICAL & SCIENTIF.	131.8	249.3	431.4	73.0	526.4	22.0	561.7	6.7	30.2	125.3
BUSINESS & OTHER PROF	192.2	286.3	530.6	85.3	589.1	11.0	630.3	7.0	18.8	120.2
MEDICAL	57.0	162.6	268.5	65.1	342.6	27.6	369.0	7.7	37.4	126.9
BOOK CLUBS	240.5	406.7	590.0	45.1	660.9	12.0	686.7	3.9	16.4	68.8
MAIL ORDER PUBLICATIONS	198.9	396.4	604.6	52.5	573.9	-5.1	603.7	5.2	4.3	52.3
MASS MARKET PAPERBACK RACK-SIZED	250.0	487.7	665.5	36.5	732.9	10.1	761.5	3.9	14.4	56.1
UNIVERSITY PRESSES	41.4	56.1	122.9	119.1	139.3	13.3	147.8	6.1	20.3	163.5
ELEMENTARY & SECONDARY TEXT	497.6	755.9	1051.5	39.1	1310.7	24.7	1491.1	13.0	40.9	95.9
COLLEGE TEXT **	375.3	649.7	1142.4	75.8	1279.0	12.0	1325.0	3.6	16.0	103.9
STANDARDIZED TESTS	26.5	44.6	69.7	56.3	85.8	23.1	92.2	7.5	32.3	106.7
SUBSCRIPTION REFERENCE	278.9	294.4	396.6	34.7	465.2	17.3	486.6	4.6	22.7	65.3
AV & OTHER MEDIA (TOTAL)	116.2	151.3	148.0	-2.2	175.0	18.2	199.5	14.0	34.8	31.9
ELHI	101.2	131.4	130.1	-1.0	152.3	17.1	173.9	14.2	33.7	32.3
COLLEGE	9.2	11.6	7.9	-31.9	8.8	11.4	9.9	12.6	25.3	-14.7
OTHER	5.8	8.3	10.0	20.5	13.9	39.0	15.7	13.0	57.0	89.2
OTHER SALES	49.2	63.4	77.1	21.6	83.1	7.8	89.7	8.0	16.3	41.5
TOTAL	3017.8	5142.2	7844.3	52.5	9121.4	16.3	9878.5	8.3	25.9	92.1

\# Includes Non-Rack-Sized sales by Mass Market Publishers of $113.5 million in 1982; $174.7 million in 1984, and $170.2 million in 1985.

** The Higher Education Division of AAP has requested the Statistical Service Center to conduct an independent survey of college publishers. For 1984, this survey of 48 college publishers, which in the opinion of the Higher Education Division, represent the majority of known College publishers, reported sales of $994.8 million. The results of the 1985 Survey (undertaken in 1986) are presented and discussed in Table G1.

Footnotes continued on page xvi

TABLE S1 - ESTIMATED BOOK PUBLISHING INDUSTRY SALES 1972, 1977, 1982, 1984-85

Continued from page xv

This table provides estimates of U.S. Produced product.

The sales estimates in **Table S1** are based on the 1977 and 1982 Censuses of Manufactures for SIC 2731 (Book Publishing) by the Bureau of the Census of the U.S. Department of Commerce. In addition, increases and decreases in yearly sales estimates reflect **actual** percentage changes in sales as reported to this survey, and to the AAP Monthly Sales Report by participating publishers.

As in prior reports, the estimates reflect the impact of the industry expansion created by new establishments entering the field, in addition to incorporating the sales increases or decreases of established firms.

Readers comparing the estimated data with Census reports should recall that the U.S. Census does not include data on most university presses or on other institutionally sponsored and not-for-profit publishing activities, nor on the audiovisual and other media materials which are included in this table. On the other hand, AAP estimates have traditionally excluded Sunday School Materials, and certain pamphlets which are incorporated in the Census data.

It should be noted that the "Other Sales" category in **Table S1** does not include any regular book sales but only sheet sales, domestic and export (except those to prebinders) and miscellaneous merchandise sales.

Estimates include domestic sales and export sales only and do not cover indigenous activities of publishers' foreign subsidiaries.

INTRODUCTION

Continued from page xiv

suggestions and instructions for formulating the most significant of these estimates were provided in the questionnaires.

OTHER TERMS AND DEVICES

Arithmetic Averages are supplied throughout this Report.

Ranges of two types are employed:

Full ranges (simply identified as "Range" in column headings) represent the lowest and highest data values reported by individual publishers.

Mid-ranges (an abbreviation in column headings for "Mid-50% Range" or, more technically, "Interquartile Range") represent the experiences of the middle 50% of the reporting group, i.e. those from the 26th to the 75th percentile on a scale that arranges the data values in order, from the lowest to the highest. By utilizing the "mid-range" rather than the full range, it is possible to report only the most representative experiences, eliminating the high and low extremes which, for a variety of reasons, may be uncharacteristic.

Except in instances where full range reporting is required to make the data meaningful, mid-ranges are utilized throughout this Report.

Dollar totals are calculated by accumulating individual items rounded to the nearest dollar (or to the nearest thousand in certain sales tables) and **do not** represent simple additions of the items in a column. (Because of the rounding practice, the last digits in a column may not add exactly when the items in that column are totalled arithmetically).

PREVENTING DISCLOSURE

Whenever specific information--either actual data, or citing the number of publishers reporting--could lead to disclosure of their individual activities, such information has been withheld and the fact noted in the text accompanying the tables.

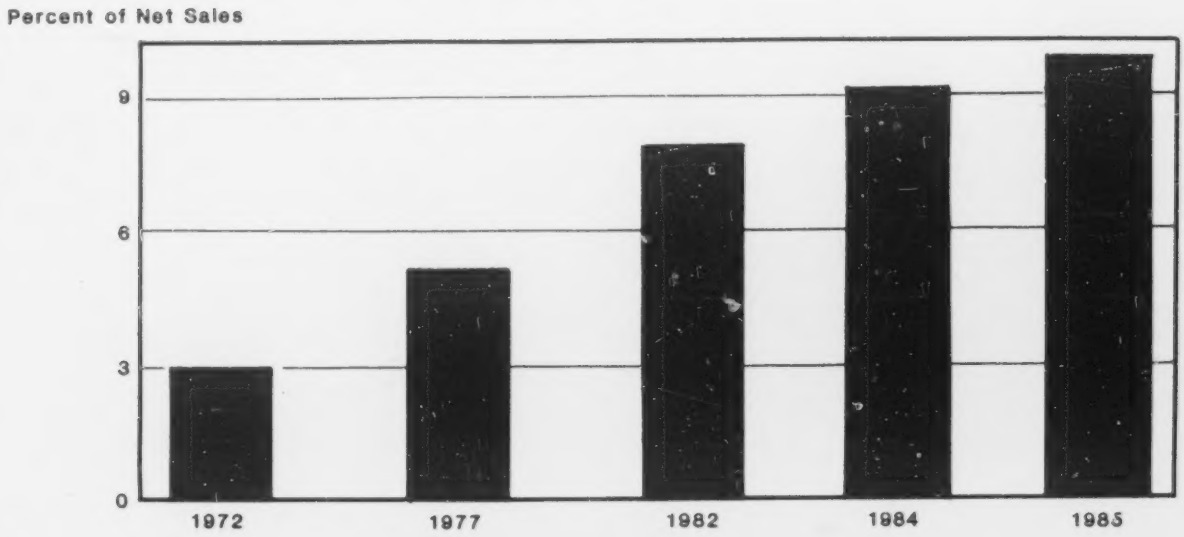


FIGURE S1 - ESTIMATED BOOK PUBLISHING INDUSTRY NET SALES 1972, 1977, 1982, 1984-85

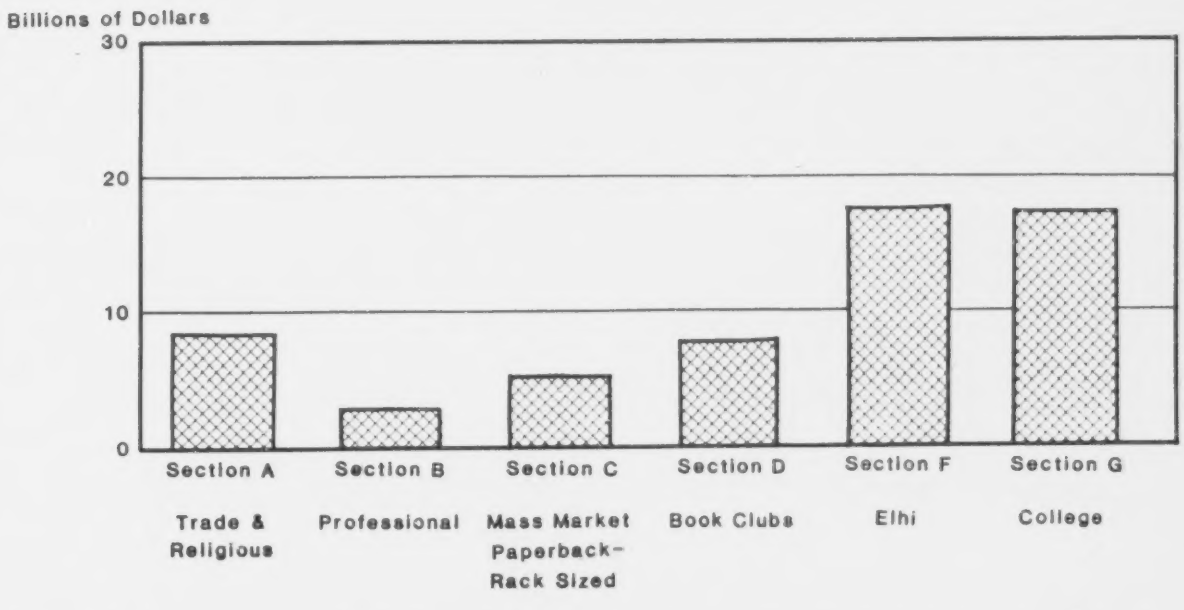


FIGURE S2 - 1985 INCOME FROM OPERATIONS

Continued from page xii

Time-Life Books	D
Viking-Penguin	A
Wadsworth	G
Warner Books	C
Watson-Guptill	A
John Wiley & Sons	B, G
Williams & Wilkins	B
Year Book Medical Publ.	B

SECTION A - TRADE AND RELIGIOUS BOOK PUBLISHERS AND DIVISIONS

Please refer to the GENERAL INSTRUCTIONS AND DEFINITIONS, and the specific instructions and definitions for this divisional survey in QUESTIONNAIRE FORM A (available on request from the AAP New York Office) to insure the correct interpretation of this report. Furthermore, the methodology used in gathering and reporting data, which is discussed in the INTRODUCTION should be reviewed for a full understanding of the tables and text.

SALES DATA

Table A1 provides sales comparisons between 1985 and 1984 based on data furnished by 30 participating trade and religious publishers. Estimated industry totals, extrapolated from actual data gathered in this Survey and from the monthly AAP Sales Report program are also furnished.

Trade and religious book publishers reported 1985 net sales of $1031.0 million to this Survey. Based on the estimates shown in **Table S1**, the net sales reported represent some 45.3% of the total trade and religious book sales of the industry.

Table A2 provides sales data by type of book for 1985 and 1984 in both dollars and units.

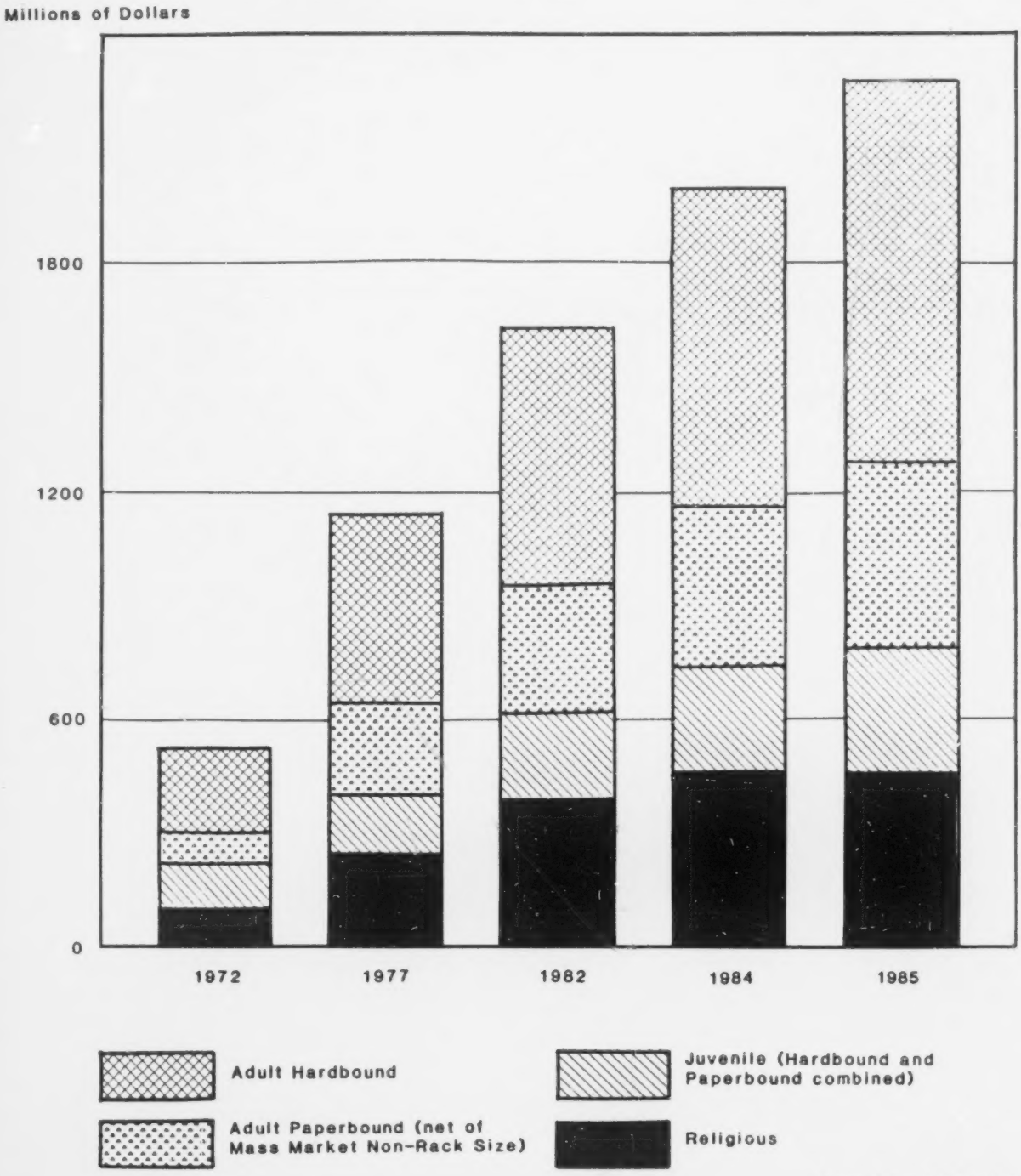
TABLE A1 - ACTUAL AND ESTIMATED TRADE AND RELIGIOUS BOOK SALES

MILLIONS OF DOLLARS -- AS REPORTED BY 30 PUBLISHERS
WITH ESTIMATES OF TOTAL INDUSTRY TRADE BOOK SALES

	1985		1984		PERCENT CHANGE	
	ACTUAL REPORTS	EST. TOTAL	ACTUAL REPORTS	EST. TOTAL	ACTUAL REPORTS	EST. TOTAL
GROSS SALES	1285.7	2668.5	1091.3	2335.2	17.8	14.3
RETURNS	254.6	395.0	218.6	352.4	16.5	12.1
NET SALES	1031.0	2273.5	872.7	1982.8	18.1	14.7

	1985			1984		
	ACTUAL REPORTED		ESTIMATED AVERAGE	ACTUAL REPORTED		ESTIMATED AVERAGE
	AVERAGE	MID-RANGE		AVERAGE	MID-RANGE	
PERCENT RETURNS TO GROSS	19.8	13.0 TO 21.3	14.8	20.0	14.3 TO 23.4	15.1

FIGURE A1 - ESTIMATED TRADE AND RELIGIOUS BOOKS NET SALES 1972, 1977, 1982, 1984-85



Data from Table S1

TABLE A2 - TRADE BOOK SALES BY TYPE OF BOOK

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 30 PUBLISHERS

	GROSS SALES									
	1985		1984		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
ADULT HARDBOUND	662048	80920	543272	67660	21.9	19.6				
ADULT PAPERBOUND	336051	120730	305508	125301	10.0	-3.6				
JUVENILE HARDBOUND	187427	79461	159424	71201	17.6	11.6				
JUVENILE PAPERBOUND	70379	58837	53189	55501	32.3	6.0				
BIBLES, TESTAMENTS, HYMNALS & PRAYERBOOKS	12626	1230	14293	1332	-11.7	-7.7				
OTHER RELIGIOUS	11170	3451	10962	3889	1.9	-11.3				
OTHER	5956	3982	4667	4000	27.6	-0.4				
TOTAL	1285657	348611	1091314	328884	17.8	6.0				

	RETURNS									
	1985		1984		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
ADULT HARDBOUND	144827	16829	112719	14285	28.5	17.8				
ADULT PAPERBOUND	77909	35006	82628	40338	-5.7	-13.2				
JUVENILE HARDBOUND	22213	9093	17118	9046	29.8	0.5				
JUVENILE PAPERBOUND	8175	5488	5112	4949	59.9	10.9				
BIBLES, TESTAMENTS, HYMNALS & PRAYERBOOKS	463	44	468	43	-1.1	2.3				
OTHER RELIGIOUS	715	167	403	171	77.4	-2.3				
OTHER	342	18	184	10	85.9	80.0				
TOTAL	254644	66645	218633	68843	16.5	-3.2				

Continued on page A-4

TABLE A2 - TRADE BOOK SALES BY TYPE OF BOOK

Continued from page A-3

	NET SALES									
	1985		1984		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
ADULT HARDBOUND	517221	64091	430553	53375	20.1	20.1				
ADULT PAPERBOUND	258142	85724	222880	84963	15.8	0.9				
JUVENILE HARDBOUND	165214	70368	142306	62155	16.1	13.2				
JUVENILE PAPERBOUND	42204	53349	48077	50552	29.4	5.5				
BIBLES, TESTAMENTS, HYMNALS & PRAYERBOOKS	12163	1186	13825	1289	-12.0	-8.0				
OTHER RELIGIOUS	10455	3284	10559	3718	-1.0	-11.7				
OTHER	5614	3964	4483	3990	25.2	-0.7				
TOTAL	1031013	281966	872681	260041	18.1	8.4				

	1985 PERCENT RETURNS TO GROSS									
	DOLLARS			UNITS			YOUR DATA			
	AVERAGE	MID-RANGE		AVERAGE	MID-RANGE					
ADULT HARDBOUND	21.9	18.3 TO	25.5	20.8	17.6 TO	24.1				
ADULT PAPERBOUND	23.2	15.0 TO	20.7	29.0	14.4 TO	18.5				
JUVENILE HARDBOUND	11.9	7.7 TO	14.6	11.4	7.6 TO	11.3				
JUVENILE PAPERBOUND	11.6	8.2 TO	16.8	9.3	8.1 TO	14.0				
BIBLES, TESTAMENTS, HYMNALS & PRAYERBOOKS	3.7			3.6						
OTHER RELIGIOUS	6.4	1.8 TO	13.6	4.8	2.6 TO	10.6				
OTHER	5.7			0.5						
TOTAL	19.8	13.0 TO	21.3	19.1	11.8 TO	18.7				

Continued on page A-5

TABLE A2 - TRADE BOOK SALES BY TYPE OF BOOK

Continued from page A-4

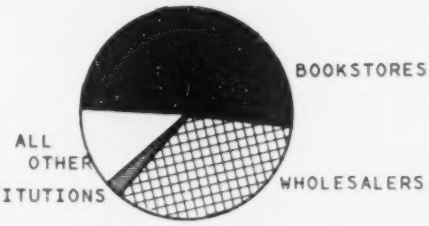
	1984 PERCENT RETURNS TO GROSS							
	DOLLARS		UNITS		YOUR DATA			
	AVERAGE	MID-RANGE	AVERAGE	MID-RANGE				
ADULT HARDBOUND	20.7	17.1 TO 24.8	21.1	15.7 TO 25.2				
ADULT PAPERBOUND	27.0	13.9 TO 25.4	32.2	15.6 TO 26.5				
JUVENILE HARDBOUND	10.7	6.4 TO 12.8	12.7	6.4 TO 14.9				
JUVENILE PAPERBOUND	9.6	5.3 TO 15.2	8.9	5.9 TO 16.2				
BIBLES, TESTAMENTS, HYMNALS & PRAYERBOOKS	3.3		3.2					
OTHER RELIGIOUS	3.7	3.0 TO 9.0	4.4	3.3 TO 14.0				
OTHER	3.9		0.2					
TOTAL	20.0	14.3 TO 23.4	20.9	12.3 TO 21.3				

	DOLLARS PER UNIT NET SALES							
	1985		1984		YOUR DATA			
	$-AVG	$-RANGE-AVG	$-AVG	$-RANGE-AVG				
ADULT HARDBOUND	8.07	5.69 TO 25.96	8.07	3.55 TO 19.67				
ADULT PAPERBOUND	3.01	0.78 TO 8.00	2.62	0.65 TO 15.00				
JUVENILE HARDBOUND	2.35	0.72 TO 8.79	2.29	0.83 TO 31.21				
JUVENILE PAPERBOUND	1.17	0.55 TO 2.79	0.95	0.53 TO 22.90				
BIBLES, TESTAMENTS, HYMNALS & PRAYERBOOKS	10.26	1.60 TO 16.73	10.73	1.57 TO 18.29				
OTHER RELIGIOUS	3.18	2.58 TO 5.83	2.84	2.24 TO 5.66				
OTHER	1.42	0.65 TO 15.09	1.12	0.59 TO 21.33				
TOTAL	3.66	0.78 TO 24.67	3.36	0.81 TO 18.86				

Note that the ranges for dollars per unit net sales in **Table A2** are **ranges of averages** reported by participating publishers.

TABLE A3 - DOMESTIC NET TRADE BOOK SALES BY TYPE OF CUSTOMER

Distribution by major categories...



THOUSANDS OF DOLLARS - AS REPORTED BY 23 PUBLISHERS

	ALL SALES		ADULT HARDBOUND		ADULT PAPERBOUND		YOUR DATA			
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL				
BOOKSTORES (TOTAL)	437013	50.9	225255	53.5	106194	51.0				
GENERAL	335756	46.8	191262	52.1	68656	47.0				
COLLEGE	14092	2.0	5260	1.4	5791	4.0				
RELIGIOUS	8663	1.2	56	0.0	48	0.0				
PAPERBACK	6863	1.0	0	0.0	0	0.0				
UNSPECIFIED	71639		28677		31699					
OTHER RETAIL OUTLETS	1859	0.2	841	0.2	301	0.1				
WHOLESALERS	295768	34.4	136663	32.5	70780	34.0				
PREBINDERS	427	0.0	0	0.0	0	0.0				
LIBRARIES & INSTITUTIONS (TOTAL)	21993	2.6	9970	2.4	3706	1.8				
PUBLIC LIBRARIES	2463	0.6	785	0.7	61	0.1				
COLLEGES & UNIVS.	852	0.2	587	0.5	123	0.2				
SCHOOLS	6117	1.4	1082	0.9	440	0.6				
OTHER	1487	0.3	374	0.3	660	0.9				
UNSPECIFIED	11074		7142		2422					
MASS MARKET OUTLETS	37246	4.3	3282	0.8	15962	7.7				
REMAINDER SALES	6117	0.7	4026	1.0	958	0.5				
SPECIAL SALES	26069	3.0	13805	3.3	6361	3.1				
DIRECT TO CONSUMER	32433	3.8	26820	6.4	3890	1.9				
TOTAL	858925	100.0	420662	100.0	208152	100.0				

Continued on page A-7

TABLE A3 - DOMESTIC NET TRADE BOOK SALES BY TYPE OF CUSTOMER

Continued from page A-6

	JUVENILE HARDBOUND		JUVENILE PAPERBOUND		RELIGIOUS		YOUR DATA			
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL				
BOOKSTORES (TOTAL)	50447	38.7	27425	52.0	25923	64.9				
GENERAL	48137	38.6	22387	51.8	5314	14.7				
COLLEGE	223	0.2	81	0.2	2737	7.6				
RELIGIOUS	0	0.0	0	0.0	8559	23.6				
PAPERBACK	0	0.0	0	0.0	6863	19.0				
UNSPECIFIED	2087		4957		2450					
OTHER RETAIL OUTLETS	181	0.1	57	0.1	289	0.7				
WHOLESALERS	55289	42.5	18258	34.6	10257	25.7				
PREBINDERS	255	0.2	2	0.0	0	0.0				
LIBRARIES & INSTITUTIONS (TOTAL)	7267	5.6	192	0.4	812	2.0				
PUBLIC LIBRARIES	1484	1.4	9	0.1	124	0.4				
COLLEGES & UNIVS.	0	0.0	0	0.0	96	0.3				
SCHOOLS	4442	4.1	30	0.2	123	0.4				
OTHER	101	0.1	18	0.1	334	1.0				
UNSPECIFIED	1240		135		135					
MASS MARKET OUTLETS	11955	9.2	5547	10.5	500	1.3				
REMAINDER SALES	469	0.4	50	0.1	74	0.2				
SPECIAL SALES	3974	3.1	1071	2.0	858	2.1				
DIRECT TO CONSUMER	355	0.3	108	0.2	1260	3.2				
TOTAL	130192	100.0	52710	100.0	39973	100.0				

In **Table A3,** as in other succeeding tables the data appearing in the column headed "All Sales" does **not** represent a total of the items shown horizontally in the remaining columns. Some reporting publishers have provided breakdowns of sales by product, summarized in the detail columns, others have not. However, all sales reported, whether detailed in other columns or not, are included in the "All Sales" column.

The "percentage of total" shown represents the portion of sales in a product category marketed to the customer type listed in the stub.

TABLE A4 - NET TRADE BOOK SALES BY GEOGRAPHICAL LOCATION

THOUSANDS OF DOLLARS - AS REPORTED BY 29 PUBLISHERS

	ALL SALES		ADULT HARDBOUND		ADULT PAPERBOUND		YOUR DATA			
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL				
UNITED STATES	963627	95.6	465172	95.8	232059	95.1				
CANADA	28241	2.8	13201	2.7	6876	2.8				
FOREIGN (TOTAL)	15760	1.6	7066	1.5	5061	2.1				
LATIN AMERICA	417	0.1	323	0.1	3	0.0				
AUSTRALIA & N.ZEALAND	876	0.3	403	0.3	39	0.3				
ASIA	683	0.2	539	0.2	41	0.3				
UNITED KINGDOM	1847	0.6	940	0.4	183	1.4				
CONTINENTAL EUROPE	1013	0.3	931	0.4	14	0.1				
AFRICA, NEAR & MIDDLE EAST	258	0.1	106	0.0	2	0.0				
UNSPECIFIED	10666		3624		4774					
TOTAL	1007628	100.0	485439	100.0	243996	100.0				

	JUVENILE HARDBOUND		JUVENILE PAPERBOUND		RELIGIOUS		YOUR DATA			
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL				
UNITED STATES	145787	95.5	57669	96.7	39973	96.8				
CANADA	5163	3.4	1560	2.6	746	1.8				
FOREIGN (TOTAL)	1636	1.1	428	0.7	595	1.4				
LATIN AMERICA					7	0.1				
AUSTRALIA & N.ZEALAND					36	0.3				
ASIA					3	0.0				
UNITED KINGDOM					89	0.7				
CONTINENTAL EUROPE					40	0.3				
AFRICA, NEAR & MIDDLE EAST					0	0.0				
UNSPECIFIED					420					
TOTAL	152586	100.0	59657	100.0	41314	100.0				

Note that the detail data of "Foreign-Juvenile" have been suppressed due to lack of sufficient reports.

TABLE A5 - OPERATING DATA OF TRADE BOOK PUBLISHERS-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 18 PUBLISHERS

	ALL PUBLISHERS			YOUR DATA			
	$	PERCENT OF NET SALES					
		%	MID-RANGE				
GROSS SALES	830197	124.4	113.3 TO 130.3				
RETURNS AND ALLOWANCES	162773	24.4	13.3 TO 30.3				
NET SALES	667424	100.0	100.0 TO 100.0				
COST OF SALES							
MANUFACTURING	246300	36.9	31.8 TO 43.8				
ROYALTIES	122502	18.4	7.2 TO 19.5				
TOTAL COST OF SALES	368802	55.3	46.5 TO 60.9				
GROSS MARGIN ON SALES	298622	44.7	39.1 TO 53.5				
OTHER INCOME	58481	8.8	2.8 TO 11.5				
OPERATING EXPENSE							
EDITORIAL	38881	5.8	4.2 TO 7.9				
PRODUCTION	18872	2.8	1.6 TO 3.0				
MARKETING	106391	15.9	13.3 TO 19.3				
FULFILLMENT	65146	9.8	6.8 TO 11.2				
GENERAL & ADMIN.	71282	10.7	8.5 TO 13.3				
TOTAL OPERATING EXPENSE	300573	45.0	38.9 TO 48.3				
INCOME FROM OPERATIONS*	56530	8.5	4.8 TO 15.0				

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

Continued on page A-10

OPERATING DATA

Operating data of Trade and Religious Publishers are reported in two sections. The first section, **Tables A5 through A14,** provides some breakdown by type of book; the second section, **Tables A15 through A24,** analyzes the data by size of publisher.

Tables A5 and A15 are summary tables, offering composite income statements of the reporting publishers. The remaining tables detail specific expense areas.

Publishers, while asked to provide sales data on a calendar year basis, were given the option to furnish operating information on a fiscal year basis. 6 publishers exercised the fiscal year option. The months terminating their reporting year are listed below, together with the number of publishers for each period:

March - 1
April - 1
September - 2
November - 1

In **Tables A5 through A14,** the column headed "All Publishers" does **not** represent a total of the items shown horizontally in the remaining columns. Some reporting publishers have provided breakdowns of operating data by product line, summarized in the detail columns, while others have not. However, all data reported, whether detailed in other columns or not, are included in the "All Publishers" column.

TABLE A5 - OPERATING DATA OF TRADE BOOK PUBLISHERS-BY TYPE OF BOOK

Continued from page A-9

	ADULT HARDBOUND			ADULT PAPERBOUND		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		%	MID-RANGE		%	MID-RANGE
GROSS SALES	390503	132.9	127.0 TO 141.2	154786	122.5	120.3 TO 128.0
RETURNS AND ALLOWANCES	96743	32.9	27.0 TO 41.2	28396	22.5	20.3 TO 28.0
NET SALES	293760	100.0	100.0 TO 100.0	126390	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	100532	34.2	28.0 TO 43.4	47390	37.5	32.5 TO 43.0
ROYALTIES	73811	25.1	16.3 TO 26.9	21087	16.7	10.7 TO 17.1
TOTAL COST OF SALES	174343	59.3	50.1 TO 64.2	68477	54.2	47.4 TO 57.5
GROSS MARGIN ON SALES	119417	40.7	35.8 TO 49.9	57912	45.8	42.5 TO 52.6
OTHER INCOME	37769	12.9	5.2 TO 17.4	7380	5.8	0.5 TO 11.1
OPERATING EXPENSE						
EDITORIAL	19820	6.7	4.2 TO 9.4	8006	6.3	3.8 TO 8.5
PRODUCTION	7805	2.7	1.4 TO 3.5	4793	3.8	2.4 TO 5.4
MARKETING	48071	16.4	12.7 TO 21.9	18967	15.0	9.0 TO 18.8
FULFILLMENT	25016	8.5	4.7 TO 11.1	14632	11.6	6.8 TO 16.5
GENERAL & ADMIN.	28569	9.7	8.9 TO 13.7	14818	11.7	10.3 TO 14.1
TOTAL OPERATING EXPENSE	129281	44.0	37.5 TO 63.1	61216	48.4	39.7 TO 64.5
INCOME FROM OPERATIONS*	27905	9.5	-4.2 TO 12.4	4076	3.2	-3.5 TO 7.9

	JUVENILE			RELIGIOUS		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		%	MID-RANGE		%	MID-RANGE
GROSS SALES	178894	113.7	111.9 TO 125.1	21440	115.2	113.1 TO 116.6
RETURNS AND ALLOWANCES	21543	13.7	11.9 TO 25.1	2835	15.2	13.1 TO 16.6
NET SALES	157351	100.0	100.0 TO 100.0	18605	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	64899	41.2	30.4 TO 49.6	6599	35.5	30.9 TO 68.2
ROYALTIES	17510	11.1	8.1 TO 16.8	2929	15.7	13.5 TO 16.5
TOTAL COST OF SALES	82409	52.4	45.3 TO 58.1	9528	51.2	46.7 TO 72.3
GROSS MARGIN ON SALES	74942	47.6	41.9 TO 54.7	9076	48.8	27.7 TO 53.3
OTHER INCOME	9760	6.2	3.2 TO 9.1	427	2.3	2.0 TO 2.5
OPERATING EXPENSE						
EDITORIAL	7274	4.6	3.9 TO 7.6	964	5.2	2.7 TO 8.2
PRODUCTION	4525	2.9	1.3 TO 3.5	386	2.1	
MARKETING	21699	13.8	10.5 TO 19.6	3007	16.2	4.4 TO 18.8
FULFILLMENT	16729	10.6	8.5 TO 13.5	2000	10.7	5.7 TO 12.5
GENERAL & ADMIN.	16065	10.2	6.4 TO 12.5	2127	11.4	3.4 TO 13.5
TOTAL OPERATING EXPENSE	66292	42.1	37.2 TO 60.1	8485	45.6	16.2 TO 52.6
INCOME FROM OPERATIONS*	18410	11.7	-1.1 TO 17.3	1018	5.5	-9.5 TO 16.3

* Please see corresponding note on page A-9.

TABLE A6 - MANUFACTURING EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 13 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $528,414,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
BEGINNING INVENTORY	111368	21.1	38722	18.4	21452	19.6	37048	26.1	2485	18.1
PURCHASES (TOTAL)	209976	39.7	76296	36.3	42072	38.5	61987	43.6	4628	33.7
PLANT COSTS	22310	4.9	9578	5.3	3935	4.4	5304	4.4	586	4.3
PAPER, PRINTING & BINDING	159734	34.9	56668	31.1	30601	34.1	46770	39.2	3989	29.4
UNSPECIFIED	27932		10049		7556		9914		53	
COST OF FREE BOOKS	4177	0.8	2331	1.1	551	0.5	987	0.7	98	0.7
WRITE DOWNS	20973	4.0	8289	3.9	5751	5.3	5800	4.1	194	1.4
ENDING INVENTORY AFTER WRITE DOWNS	114035	21.6	40672	19.4	23001	21.0	35226	24.8	2710	19.7
TOTAL MANUFACTURING EXP.	203132	38.4	72014	34.3	39972	36.5	62823	44.2	4305	31.4

The composite manufacturing cost figure in **Table A6** includes data that reflect varying treatments of plant costs. Since a levelling effect takes place when the data are consolidated, the possibility of distortion is minimized. Nevertheless, a publisher who compares his own data with those in the survey should bear in mind that the inventory and purchase figures shown represent a mix that includes plant costs being written off, plant costs being amortized, and plant costs that have been inventoried.

To place the survey data in perspective, the practices of **some** of the participating publishers are shown below:

Written off as incurred - 1
Written off on publication - 6
Written into inventory - 2

Amortized separately parallel to sales of first printing - 1
Amortized over 2 years - 1
Amortized over 5 years - 1

Plant costs expensed as incurred, plate costs amortized 2 months after publication - 1

Various treatments (as above) depending on dollar amount and division - 2

TABLE A7 - ROYALTY EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 14 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $542,317,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ROYALTIES PAID	80937	14.9	45143	19.1	14551	13.7	13250	10.2	2632	14.2
FEES IN LIEU OF ROYALTIES	199	0.0	0	0.0	0	0.0	0	0.0	0	0.0
ADVANCES WRITTEN OFF	19525	3.6	14432	6.1	3341	3.1	793	0.6	297	1.6
TOTAL ROYALTIES	100661	18.6	59574	25.3	17892	16.8	14043	10.9	2929	15.8

In **Table A7** in addition to providing operating data on royalties, publishers were asked to report the level of royalty advances carried on their balance sheets at reporting year end. A total of 13 publishers with combined net sales of $534.1 million responded, reporting a total aggregate advance of $96.4 million (18.0% of net sales). 10 publishers with **adult hardbound** net sales of $216.9 million reported advances of $62.8 million (29.0% of net sales); 8 publishers with **adult paperbound** net sales of $113.0 million reported advances of $20.9 million (18.5% of net sales); and 8 publishers with **juvenile** net sales of $142.2 million reported advances of $9.0 million (6.3% of net sales), all at reporting year end. Replies by religious book publishers were insufficient to report here.

TABLE A8 - OTHER PUBLISHING INCOME-BY TYPE OF BOOK

THOUSANDS OF DOLLARS

	11 PUBLISHERS WITH NET SALES OF $447,625,000					
	TOTAL INCOME		AUTHORS' SHARE		PUBL. SHARE	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SUBSIDIARY RIGHTS (TOTL)	68104	15.2	34955	7.8	33149	7.4
REPRINT - HARDBOUND	7004	1.6	3499	0.8	3505	0.8
REPRINT - PAPERBOUND	25535	5.9	13986	3.2	11548	2.7
BOOK CLUB	18572	4.2	9758	2.2	8813	2.1
PERMISSIONS	993	0.2	515	0.1	478	0.1
FOREIGN & TRANSLATION	5470	1.3	3921	0.9	1550	0.4
SERIAL, DIGEST & SYNDICATION	980	0.2	877	0.2	103	0.0
OTHER	7390	1.7	1762	0.4	5628	1.3
UNSPECIFIED	2160		637		1523	
GENERAL	13130	2.9	489	0.1	12641	2.8
TOTAL OTHER INCOME	81234	18.1	35444	7.9	45789	10.2

12 PUBLISHERS WITH NET SALES OF $526,177,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SUBSIDIARY RIGHTS (TOTL)	73425	14.0	47868	21.7	8550	8.8	11971	8.7	538	2.9
REPRINT - HARDBOUND	9867	1.9	5311	2.5	2305	2.5	2201	1.7	47	0.3
REPRINT - PAPERBOUND	25551	5.1	14251	6.7	2893	3.2	4807	3.6	44	0.2
BOOK CLUB	19725	3.9	17675	8.2	1662	1.7	201	0.1	187	1.0
PERMISSIONS	993	0.2	621	0.3	127	0.1	156	0.1	21	0.1
FOREIGN & TRANSLATION	6222	1.2	3901	1.9	616	0.7	1173	0.9	73	0.4
SERIAL, DIGEST & SYNDICATION	1049	0.2	558	0.3	72	0.1	51	0.0	8	0.0
OTHER	7859	1.5	4069	1.9	486	0.5	3147	2.3	158	0.9
UNSPECIFIED	2159		1482		389		235		0	
GENERAL	14459	2.7	8717	3.9	2616	2.7	2208	1.6	26	0.1
TOTAL OTHER PUBL. INCOME	87884	16.7	56586	25.6	11166	11.5	14179	10.3	563	3.0
AUTHORS' SHARE	34893	6.6	23334	10.6	4362	4.5	4792	3.5	178	1.0
PUBLISHER'S SHARE	52991	10.1	33251	15.1	6803	7.0	9387	6.8	385	2.1

In **Table A8,** publishers are asked to report **all** subsidiary income and to show authors' shares and publishers' shares separately. As some respondents are unable to comply with some details of this request, data are reported here in two ways: in the upper section data are summarized **by type of income** for 11 publishers who are able to separate authors' shares from their own. In the lower section data are summarized **by type of book** for 12 publishers reporting both authors' shares and their own. Data for publishers who could report only their own shares had to be suppressed this year to avoid disclosure.

TABLE A9 - EDITORIAL EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 17 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $661,139,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
EDITORIAL EXPENSE										
SALARIES	22930	3.5	11287	3.9	4648	3.8	4408	3.0	610	3.3
BENEFITS	4115	0.6	2085	0.7	894	0.7	684	0.5	103	0.6
OUTSIDE EDITORIAL EXP	3285	0.5	1719	0.6	758	0.6	552	0.4	110	0.6
TRAVEL & ENTERTAINMNT	2087	0.3	1053	0.4	440	0.4	330	0.2	45	0.2
OTHER	5912	0.9	3579	1.3	1115	0.9	996	0.7	95	0.5
TOTAL EDITORIAL EXPENSE	38330	5.9	19724	6.9	7856	6.5	6969	4.8	964	5.2

TABLE A10 - PRODUCTION EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 14 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $641,800,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PRODUCTION EXPENSE										
SALARIES	8360	1.3	3805	1.4	1893	1.5	1489	1.0	Data for this category has been suppressed to prevent disclosure.	
BENEFITS	1546	0.2	743	0.3	357	0.3	225	0.1		
OUTSIDE PRODUCT'N EXP	499	0.1	189	0.1	125	0.1	43	0.0		
OTHER	6838	1.1	2875	1.0	2112	1.7	1638	1.1		
TOTAL PRODUCTION EXPENSE	17244	2.7	7613	2.7	4488	3.6	3395	2.2		

TABLE A11 - MARKETING EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 15 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $649,411,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SELLING EXPENSE										
SALESMEN'S SALARIES & COMMISSIONS	14472	2.2	6157	2.1	2800	2.4	3684	2.4	308	1.7
SALESMEN'S BENEFITS	2105	0.3	1019	0.4	503	0.4	475	0.3	45	0.2
SALESMAN'S TRAVEL & ENTERTAINMENT	4764	0.7	2163	0.7	977	0.8	1163	0.8	149	0.8
DEPARTMENTAL SALARIES	5486	0.8	2342	0.8	908	0.8	1304	0.9	323	1.7
DEPARTMENTAL BENEFITS	1001	0.2	448	0.2	188	0.2	187	0.1	70	0.4
DEPARTMENTAL TRAVEL & ENTERTAINMENT	1371	0.2	516	0.2	240	0.2	451	0.3	77	0.4
OTHER	10041	1.5	4952	1.7	2509	2.1	2213	1.5	233	1.3
TOTAL SELLING EXPENSE	39241	6.0	17597	6.1	8124	6.9	9477	6.2	1205	6.5

Continued on page A-14

TABLE A11 - MARKETING EXPENSE-BY TYPE OF BOOK

Continued from page A-13

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PROMOTION										
DEPARTMENTAL SALARIES	6161	0.9	2870	1.0	1043	0.9	1477	1.0	375	2.0
BENEFITS	1058	0.2	519	0.2	204	0.2	197	0.1	68	0.4
SPACE ADVERTISING	19296	3.0	9865	3.4	3131	2.6	3316	2.2	471	2.5
CATALOGS AND TRADE ADVERTISING	17371	2.7	8390	2.9	1733	1.5	3966	2.6	235	1.3
DIRECT MAIL	5413	0.8	823	0.3	220	0.2	225	0.1	86	0.5
PUBLICITY	3771	0.6	1894	0.7	804	0.7	297	0.2	75	0.4
FREE COPIES (INCLUDING POSTAGE)	4873	0.8	2430	0.8	894	0.8	952	0.6	148	0.8
EXHIBITS	1952	0.3	700	0.2	454	0.4	511	0.3	55	0.3
OTHER	4454	0.7	1853	0.6	1007	0.9	1251	0.8	290	1.6
TOTAL PROMOTION EXPENSE	64374	9.9	29344	10.1	9490	8.0	12194	8.0	1802	9.7
TOTAL MARKETING EXPENSE	103582	16.0	46941	16.1	17614	14.9	21671	14.2	3006	16.2

TABLE A12 - FULFILLMENT EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS

7 PUBLISHERS WITH NET SALES OF $391,110,000 -- INTERNAL FACILITIES	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ORDER PROCESSING										
SALARIES	6737	1.7	3346	1.8	1849	1.9	1214	1.3		
BENEFITS	1558	0.4	808	0.4	399	0.4	279	0.3		
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	3768	1.0	1943	1.1	859	0.9	883	0.9		
EQUIPMENT & SUPPLIES	968	0.2	537	0.3	262	0.3	118	0.1		
OTHER	777	0.2	289	0.2	277	0.3	162	0.2		
TOTAL ORDER PROCESSING	13809	3.5	6924	3.8	3646	3.8	2655	2.8		
SHIPPING & WAREHOUSING										
SALARIES	12953	3.3	5083	2.8	3685	3.8	3721	3.9		
BENEFITS	2630	0.7	1165	0.6	550	0.6	813	0.9		
OCCUPANCY	5390	1.4	2378	1.3	1172	1.2	1672	1.8		
EQUIPMENT & SUPPLIES	3243	0.8	1467	0.8	772	0.8	890	0.9		
TRANSPORTATION CHRGES	3219	0.8	1571	0.9	606	0.6	943	1.0		
OTHER	1165	0.3	-611	-0.3	1534	1.6	216	0.2		
UNSPECIFIED	142		27		92		0			
TOTAL SHIPPING AND WAREHOUSING	28742	7.3	11080	6.0	8411	8.8	8255	8.7		
TOTAL FULFILLMENT EXP. OF PUBLISHERS UTILIZING INTERNAL FACILITIES	42551	10.9	18004	9.8	12057	12.6	10909	11.5		

Data for the "Religious" category have been suppressed to prevent disclosure.

TABLE A13 - GENERAL AND ADMINISTRATIVE EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 15 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $598,480,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
MANAGEMENT SALARIES	7573	1.3	3557	1.3	1174	1.1	1214	0.9	290	2.0
MANAGEMENT BENEFITS	2384	0.4	1032	0.4	475	0.4	536	0.4	97	0.7
ACCOUNTING SALARIES	5520	0.9	2169	0.8	1021	1.0	1165	0.9	127	0.9
ACCOUNTING BENEFITS	1200	0.2	487	0.2	220	0.2	254	0.2	55	0.4
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	6611	1.1	2585	1.0	1444	1.4	1539	1.1	247	1.7
GENERAL OFFICE BENEFITS	2595	0.4	991	0.4	478	0.4	887	0.6	80	0.6
GENERAL TRAVEL AND ENTERTAINMENT	1396	0.2	608	0.2	185	0.2	283	0.2	43	0.3
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	4623	0.8	2001	0.7	640	0.6	1201	0.9	163	1.1
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	10494	1.8	4381	1.6	2137	2.0	2641	1.9	271	1.9
OTHER TAXES (EXCEPT INC. & PAYROLL TAXES)	1166	0.2	567	0.2	228	0.2	236	0.2	6	0.0
PERSONAL PROP. TAXES	516	0.1	227	0.1	51	0.0	144	0.1	0	0.0
ALL OTHER	585	0.1	323	0.1	139	0.1	93	0.1	6	0.0
UNSPECIFIED	65		17		38		0		0	
OTHER	19132	3.2	7034	2.6	3960	3.7	3812	2.8	470	3.2
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	62693	10.5	25412	9.4	11962	11.2	13768	10.1	1849	12.8

TABLE A14 - SUMMARY OF EMPLOYEE BENEFITS EXPENSE-BY TYPE OF BOOK

THOUSANDS OF DOLLARS - AS REPORTED BY 13 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $483,754,000

	ALL PUBLISHERS		ADULT HARDBOUND		ADULT PAPERBOUND		JUVENILE		RELIGIOUS	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PENSIONS	1630	0.3	577	0.3	232	0.3	336	0.3	3	0.0
DEFERRED PROFIT SHARING	2631	0.5	1460	0.9	533	0.7	572	0.6	65	0.4
HOSP. & GROUP INSURANCE	6097	1.3	2298	1.4	1018	1.4	1076	1.1	232	1.6
PAYROLL TAXES	6620	1.4	2653	1.6	1135	1.5	1312	1.3	231	1.6
OTHER	967	0.2	422	0.3	231	0.3	162	0.2	42	0.3
TOTAL EMPLOYEE BENEFITS	17944	3.7	7411	4.5	3150	4.2	3458	3.4	574	4.0

TABLE A15 - OPERATING DATA OF TRADE BOOK PUBLISHERS-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 18 PUBLISHERS

	ALL PUBLISHERS			7 PUBLISHERS WITH NET SALES UNDER $15 MILLION		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		%	MID-RANGE		%	MID-RANGE
GROSS SALES	830197	124.4	113.3 TO 130.3	69856	118.6	105.6 TO 124.8
RETURNS AND ALLOWANCES	162773	24.4	13.3 TO 30.3	10979	18.6	5.6 TO 24.8
NET SALES	667424	100.0	100.0 TO 100.0	58877	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	246300	36.9	31.8 TO 43.8	25256	42.9	33.4 TO 51.4
ROYALTIES	122502	18.4	7.2 TO 19.5	6409	10.9	0.9 TO 17.1
TOTAL COST OF SALES	368802	55.3	46.5 TO 60.9	31665	53.8	46.9 TO 56.1
GROSS MARGIN ON SALES	298622	44.7	39.1 TO 53.5	27212	46.2	43.9 TO 53.1
OTHER INCOME	58481	8.8	2.8 TO 11.5	5028	8.5	2.0 TO 12.5
OPERATING EXPENSE						
EDITORIAL	38881	5.8	4.2 TO 7.9	3840	6.5	2.7 TO 8.8
PRODUCTION	18872	2.8	1.6 TO 3.0	2546	4.3	2.7 TO 20.1
MARKETING	106391	15.9	13.3 TO 19.3	9231	15.7	12.0 TO 19.4
FULFILLMENT	65146	9.8	6.8 TO 11.2	4594	7.8	3.1 TO 12.9
GENERAL & ADMIN.	71282	10.7	8.5 TO 13.3	6773	11.5	7.5 TO 18.8
TOTAL OPERATING EXPENSE	300573	45.0	38.9 TO 48.3	26985	45.8	38.6 TO 52.2
INCOME FROM OPERATIONS*	56530	8.5	4.8 TO 15.0	5255	8.9	-2.4 TO 24.0

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

Continued on page A-17

TABLE A15 - OPERATING DATA OF TRADE BOOK PUBLISHERS-BY SIZE OF PUBLISHER

Continued from page A-16

	4 PUBLISHERS WITH NET SALES $15 TO $35 MILLION			7 PUBLISHERS WITH NET SALES ABOVE $35 MILLION		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		%	MID-RANGE		%	MID-RANGE
GROSS SALES	120402	122.7	110.9 TO 131.3	639939	125.4	121.7 TO 132.9
RETURNS AND ALLOWANCES	22273	22.7	10.9 TO 31.3	129521	25.4	21.7 TO 32.9
NET SALES	98129	100.0	100.0 TO 100.0	510418	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	40312	41.1	31.1 TO 48.4	180732	35.4	28.6 TO 41.2
ROYALTIES	13796	14.1	6.6 TO 20.4	102297	20.0	17.4 TO 25.4
TOTAL COST OF SALES	54108	55.1	40.0 TO 61.8	283029	55.5	45.4 TO 62.5
GROSS MARGIN ON SALES	44021	44.9	38.2 TO 60.0	227389	44.5	37.5 TO 54.6
OTHER INCOME	5689	5.8	2.6 TO 9.2	47764	9.4	7.6 TO 12.6
OPERATING EXPENSE						
EDITORIAL	5941	6.1	5.0 TO 7.2	29100	5.7	4.0 TO 7.9
PRODUCTION	2022	2.1	1.4 TO 2.7	14304	2.8	1.6 TO 3.9
MARKETING	14440	14.7	10.7 TO 19.5	82720	16.2	14.2 TO 19.2
FULFILLMENT	7666	7.8	6.7 TO 10.2	52886	10.4	8.2 TO 11.7
GENERAL & ADMIN.	10912	11.1	8.8 TO 13.6	53597	10.5	9.7 TO 13.2
TOTAL OPERATING EXPENSE	40981	41.8	38.6 TO 46.0	232607	45.6	41.3 TO 51.4
INCOME FROM OPERATIONS*	8729	8.9	5.0 TO 18.9	42546	8.3	6.2 TO 14.5

* Please see corresponding note on page A-16.

TABLE A16 - MANUFACTURING EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 13 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $528,414,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UNDER $15 MILLION		4 PUBLISHERS NET SALES $15-$35 MILLION		5 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
BEGINNING INVENTORY	111368	21.1	6920	25.0	21300	21.7	83147	20.7
PURCHASES (TOTAL)	209976	39.7	7433	26.4	46051	46.9	156492	38.9
PLANT COSTS	22310	4.9	1517	5.6	4249	4.8	16544	4.8
PAPER, PRINTING & BINDING	159734	34.9	5584	20.8	37156	42.1	116994	34.1
UNSPECIFIED	27932		332		4646		22953	
COST OF FREE BOOKS	4177	0.8	94	0.3	1549	1.6	2533	0.6
WRITE DOWNS	20973	4.0	655	2.4	1403	1.4	18915	4.7
ENDING INVENTORY AFTER WRITE DOWNS	114035	21.6	6928	25.0	24952	25.4	82155	20.4
TOTAL MANUFACTURING EXP.	203132	38.4	7331	26.4	40850	41.6	154951	38.5

TABLE A17 - ROYALTY EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 14 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $542,317,000

	ALL PUBLISHERS		5 PUBLISHERS NET SALES UNDER $15 MILLION		4 PUBLISHERS NET SALES $15-$35 MILLION		5 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ROYALTIES PAID	80937	14.9	5444	10.5	12191	12.4	63303	16.1
FEES IN LIEU OF ROYALTIES	199	0.0	0	0.0	199	0.2	0	0.0
ADVANCES WRITTEN OFF	19525	3.6	958	1.9	1405	1.4	17162	4.4
TOTAL ROYALTIES	100661	18.6	6401	12.4	13795	14.1	80465	20.5

See also the discussion following **Table A-7.**

TABLE A18 - OTHER PUBLISHING INCOME-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 12 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $526,177,000

	ALL PUBLISHERS		3 PUBLISHERS NET SALES UNDER $15 MILLION		4 PUBLISHERS NET SALES $15-$35 MILLION		5 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SUBSIDIARY RIGHTS (TOTL)	73425	14.0	2434	9.5	9574	9.8	61417	15.3
REPRINT - HARDBOUND	9867	1.9	4	0.0	154	0.2	9709	2.4
REPRINT - PAPERBOUND	25551	5.1	871	5.0	4130	4.6	20551	5.2
BOOK CLUB	19725	3.9	330	1.9	3076	3.4	16319	4.1
PERMISSIONS	993	0.2	55	0.3	154	0.2	784	0.2
FOREIGN & TRANSLATION	6222	1.2	278	1.6	720	0.8	5225	1.3
SERIAL, DIGEST & SYNDICATION	1049	0.2	16	0.1	463	0.5	570	0.1
OTHER	7859	1.5	118	0.7	55	0.1	7686	1.9
UNSPECIFIED	2159		762		823		574	
GENERAL	14459	2.7	772	3.0	1753	1.8	11934	3.0
TOTAL OTHER PUBL. INCOME	87884	16.7	3206	12.6	11327	11.5	73351	18.2
AUTHORS' SHARE	34893	6.6	1320	5.2	5638	5.7	27935	6.9
PUBLISHER'S SHARE	52991	10.1	1886	7.4	5689	5.8	45416	11.3

TABLE A19 - EDITORIAL EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 17 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $661,139,000

	ALL PUBLISHERS		6 PUBLISHERS NET SALES UNDER $15 MILLION		4 PUBLISHERS NET SALES $15-$35 MILLION		7 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
EDITORIAL EXPENSE								
SALARIES	22930	3.5	2376	5.8	3887	4.0	16668	3.3
BENEFITS	4115	0.6	370	0.9	712	0.7	3034	0.6
OUTSIDE EDITORIAL EXP	3285	0.5	64	0.2	277	0.3	2944	0.6
TRAVEL & ENTERTAINMNT	2087	0.3	177	0.4	390	0.4	1519	0.3
OTHER	5912	0.9	304	0.7	675	0.7	4934	1.0
TOTAL EDITORIAL EXPENSE	38330	5.9	3290	8.1	5940	6.1	29099	5.7

TABLE A20 - PRODUCTION EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 14 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $641,800,000

	ALL PUBLISHERS		3 PUBLISHERS NET SALES UNDER $15 MILLION PERCENT		4 PUBLISHERS NET SALES $15-$35 MILLION PERCENT		7 PUBLISHERS NET SALES ABOVE $35 MILLION PERCENT	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PRODUCTION EXPENSE								
SALARIES	8360	1.3	657	2.0	1380	1.4	6323	1.2
BENEFITS	1546	0.2	122	0.4	276	0.3	1148	0.2
OUTSIDE PRODUCT'N EXP	499	0.1	0	0.0	121	0.1	379	0.1
OTHER	6838	1.1	138	0.4	245	0.2	6455	1.3
TOTAL PRODUCTION EXPENSE	17244	2.7	917	2.8	2022	2.1	14305	2.8

TABLE A21 - MARKETING EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 15 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $649,411,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UNDER $15 MILLION		4 PUBLISHERS NET SALES $15-$35 MILLION		7 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SELLING EXPENSE								
SALESMEN'S SALARIES & COMMISSIONS	14472	2.2	1094	2.7	1924	2.0	11454	2.2
SALESMEN'S BENEFITS	2105	0.3	155	0.4	166	0.2	1783	0.3
SALESMEN'S TRAVEL & ENTERTAINMENT	4764	0.7	536	1.3	607	0.6	3622	0.7
DEPARTMENTAL SALARIES	5486	0.8	177	0.4	1097	1.1	4213	0.8
DEPARTMENTAL BENEFITS	1001	0.2	30	0.1	156	0.2	816	0.2
DEPARTMENTAL TRAVEL & ENTERTAINMENT	1371	0.2	22	0.1	278	0.3	1071	0.2
OTHER	10041	1.5	1287	3.2	848	0.9	7905	1.5
TOTAL SELLING EXPENSE	39241	6.0	3301	8.1	5076	5.2	30863	6.0
PROMOTION								
DEPARTMENTAL SALARIES	6161	0.9	422	1.0	1179	1.2	4561	0.9
BENEFITS	1058	0.2	72	0.2	181	0.2	804	0.2
SPACE ADVERTISING	19296	3.0	1147	2.8	3316	3.4	14833	2.9
CATALOGS AND TRADE ADVERTISING	17371	2.7	259	0.6	672	0.7	16439	3.2
DIRECT MAIL	5413	0.8	217	0.5	891	0.9	4305	0.8
PUBLICITY	3771	0.6	134	0.3	914	0.9	2723	0.5
FREE COPIES (INCLUDING POSTAGE)	4873	0.8	358	0.9	919	0.9	3597	0.7
EXHIBITS	1944	0.3	74	0.2	474	0.5	1396	0.3
OTHER	4454	0.7	427	1.0	819	0.8	3208	0.6
TOTAL PROMOTION EXPENSE	64341	9.9	3111	7.6	9364	9.5	51866	10.2
TOTAL MARKETING EXPENSE	103582	16.0	6411	15.7	14441	14.7	82730	16.2

TABLE A22 - FULFILLMENT EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS

7 PUBLISHERS WITH NET SALES OF $391,110,000 USING INTERNAL FACILITIES	ALL PUBLISHERS		2 PUBLISHERS NET SALES UNDER $15 MILLION		1 PUBLISHER NET SALES $15-$35 MILLION		4 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ORDER PROCESSING								
SALARIES	6737	1.7					5811	1.7
BENEFITS	1558	0.4					1338	0.4
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	3768	1.0					2941	0.9
EQUIPMENT & SUPPLIES	968	0.2					873	0.3
OTHER	777	0.2					591	0.2
TOTAL ORDER PROCESSING	13809	3.5					11555	3.4
SHIPPING & WAREHOUSING								
SALARIES	12953	3.3					11952	3.5
BENEFITS	2630	0.7					2385	0.7
OCCUPANCY	5390	1.4					4790	1.4
EQUIPMENT & SUPPLIES	3243	0.8					3061	0.9
TRANSPORTATION CHRGES	3219	0.8					3087	0.9
OTHER	1165	0.3					1165	0.3
UNSPECIFIED	142						0	
TOTAL SHIPPING AND WAREHOUSING	28742	7.3					26441	7.8
TOTAL FULFILLMENT EXP. OF PUBLISHERS UTILIZING INTERNAL FACILITIES	42551	10.9					37996	11.3

Data for the "Under $15 Million" and the "$15-$35 Million" categories have been suppressed to prevent disclosure.

TABLE A23 - GENERAL AND ADMINISTRATIVE EXPENSE-BY SIZE OF PUBLISHER

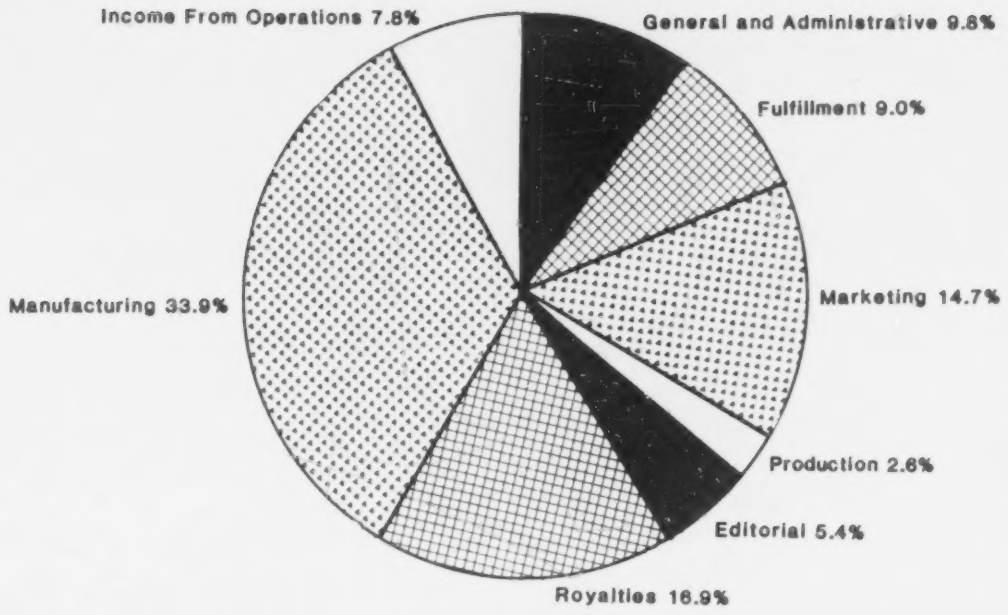
THOUSANDS OF DOLLARS - AS REPORTED BY 15 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $598,480,000

	ALL PUBLISHERS		5 PUBLISHERS NET SALES UNDER $15 MILLION		4 PUBLISHERS NET SALES $15-$35 MILLION		6 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
MANAGEMENT SALARIES	7573	1.3	953	2.0	1384	1.4	5236	1.2
MANAGEMENT BENEFITS	2384	0.4	89	0.2	289	0.3	2006	0.4
ACCOUNTING SALARIES	5520	0.9	401	0.8	1272	1.3	3847	0.9
ACCOUNTING BENEFITS	1200	0.2	71	0.1	250	0.3	879	0.2
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	6611	1.1	294	0.6	698	0.7	5619	1.2
GENERAL OFFICE BENEFITS	2595	0.4	63	0.1	110	0.1	2421	0.5
GENERAL TRAVEL AND ENTERTAINMENT	1396	0.2	57	0.1	171	0.2	1169	0.3
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	4623	0.8	151	0.3	399	0.4	4073	0.9
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	10494	1.8	858	1.8	1584	1.6	8051	1.8
OTHER TAXES (EXCEPT INC. & PAYROLL TAXES)	1166	0.2	370	0.8	132	0.1	664	0.1
PERSONAL PROP. TAXES	516	0.1	0	0.0	96	0.1	420	0.1
ALL OTHER	585	0.1	305	0.6	36	0.0	244	0.1
UNSPECIFIED	65		65		0		0	
OTHER	19132	3.2	2719	5.6	4624	4.7	11790	2.6
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	62693	10.5	6026	12.4	10913	11.1	45755	10.1

TABLE A24 - SUMMARY OF EMPLOYEE BENEFITS EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 13 TRADE BOOK PUBLISHERS
WITH TOTAL NET SALES OF $483,754,000

	ALL PUBLISHERS		5 PUBLISHERS NET SALES UNDER $15 MILLION		4 PUBLISHERS NET SALES $15-$35 MILLION		4 PUBLISHERS NET SALES ABOVE $35 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PENSIONS	1630	0.3	143	0.3	443	0.5	1045	0.3
DEFERRED PROFIT SHARING	2631	0.5	151	0.3	0	0.0	2480	0.7
HOSP. & GROUP INSURANCE	6097	1.3	397	0.8	1010	1.0	4690	1.4
PAYROLL TAXES	6620	1.4	594	1.2	1110	1.1	4916	1.5
OTHER	967	0.2	176	0.4	105	0.1	686	0.2
TOTAL EMPLOYEE BENEFITS	17944	3.7	1461	3.0	2666	2.7	13817	4.1



Based on data reported in Table A5
Income (100%) Equals Net Sales (91.9%) plus Other Income (8.1%)

FIGURE A2 - 1985 DISPOSITION OF INCOME BY TRADE AND RELIGIOUS BOOK PUBLISHERS

TABLE A25 - EMPLOYEE DATA

AS REPORTED BY 12 TRADE BOOK PUBLISHERS
EMPLOYING 2,964 TOTAL STAFF
(NET SALES PER EMPLOYEE - $139,030)

	PERCENT OF TOTAL	
	AVERAGE	MID-RANGE
EDITORIAL	17.0	13.3 TO 23.6
PRODUCTION	7.8	5.0 TO 13.4
MARKETING (TOTAL)	17.3	12.0 TO 31.9
SALESMEN	5.0	3.5 TO 12.6
SALES DEPARTMENT	5.8	3.0 TO 10.4
PROMOTION	3.6	1.8 TO 6.8
UNSPECIFIED	2.9	
FULFILLMENT (TOTAL)	31.2	4.9 TO 43.8
ORDER PROCESSING	9.2	5.5 TO 15.2
SHIPPING & WAREHOUS'G	21.7	24.0 TO 26.9
UNSPECIFIED	0.3	
ADMINISTRATIVE MANAGEM'T	3.0	2.0 TO 6.3
GENERAL OFFICE	15.9	14.0 TO 21.8
OTHER	7.8	3.5 TO 26.2
EMPLOYEES PER $100,000 SALES	0.7	0.5 TO 0.8

TABLE A26 - BILLINGS AND RECEIVABLES

OF TRADE BOOK PUBLISHERS

	REPLIES	AMOUNT
NET SALES ($000)	12	379791
NUMBER OF INVOICES		
ANNUALLY (000)	8	2355
AVERAGE INV. VALUE		116.58
NUMBER OF CREDIT MEMOS		
ANNUALLY (000)	8	353
ACCOUNTS RECEIVABLE (AT		
YEAR END - $000)	11	179279
PERCENT OF NET SALES		55.2
ACCOUNTS RECE. - AGED		
TOTAL ($000)	8	126518
PCT. CURRENT		59.7
PCT. 1-30 DAYS		17.5
PCT. 31-60 DAYS		10.0
PCT. 61 DAYS AND OVER		12.8
BAD DEBT RESERVE ($000)	10	9772
PCT. OF NET SALES		3.1
PCT. OF RECEIVABLES		5.5
BAD DEBT LOSSES ($000)	8	2146
PCT. OF NET SALES		0.9
PCT. OF RECEIVABLES		1.7
AVERAGE COLLECTION		
PERIOD (DAYS)	7	133
RANGE (DAYS)		77-200

TABLE A27 - INVENTORY TURNOVER

OF TRADE BOOK PUBLISHERS

TYPE OF BOOK	REPLIES	NET SALES (000)	INVENTORY TURNOVER
ADULT HARDBOUND	10	216915	1.7
ADULT PAPERBOUND	8	113036	1.8
JUVENILE	8	142191	1.5
RELIGIOUS	3	13720	1.7
BY SIZE OF PUBLISHER			
SALES UP TO $15 MILLION	4	27708	1.5
SALES $15 TO $35 MILLION	4	98129	1.7
SALES $35 MILLION & OVER	5	402576	1.7

In **Table A27** inventory turnover is established by dividing Total Manufacturing Cost by the average of Beginning Inventory and Ending Inventory After Writedowns. For pertinent definitions, refer to pages A1 and A2 of Operating Data Questionnaire Form A. Also please note the text comments on plant costs and plant cost treatment following **Table A6.**

In comparing his own inventory turnover with that reported here, a publisher should bear in mind not only the possible impact of plant cost treatment on inventory values, but also the variations in such values resulting from differing writedown policies. Most writedown practices in the industry must, perforce, be based on the subjective judgement of market values, reflecting varying life expectancies and turnover of product lines and individual titles. A publisher must keep his own sales patterns in mind, therefore, when making the comparison. Despite the levelling effect of pooling the data, a publisher with, for example, a specialized product line may find his turnover differing noticeably and justifiably from the composite figure.

SECTION B - TECHNICAL, SCIENTIFIC, BUSINESS, MEDICAL, AND OTHER PROFESSIONAL BOOK PUBLISHERS AND DIVISIONS

Please refer to the GENERAL INSTRUCTIONS AND DEFINITIONS, and the specific instructions and definitions for this divisional survey in QUESTIONNAIRE FORM B (available on request from the AAP New York Office) to insure the correct interpretation of this report. Furthermore, the methodology used in gathering and reporting data, which is discussed in the INTRODUCTION should be reviewed for a full understanding of the tables and text.

SALES DATA

30 professional publishers reported 1985 total net sales of $370.2 million to this Survey. When this total is compared to that estimated for this industry segment in **Table S1** ($1561.0 million), it appears that some 23.7% of professional book sales are represented in **Table B1a.** Note, however, that the reported figures exclude the bulk of law book sales which, historically, publishers fail to supply to this Survey.

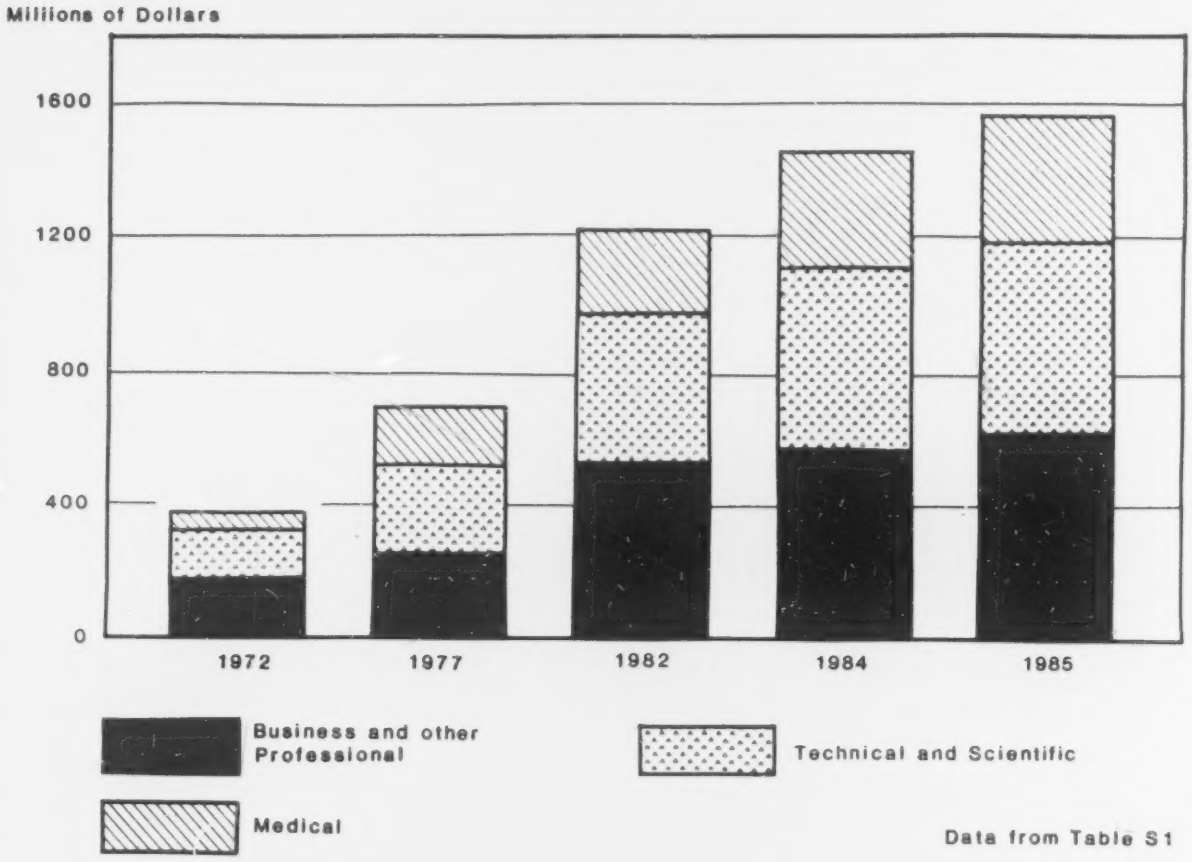
In **Table B1a** publishers report sales detail by publishing category for both 1985 and 1984 in dollars. In **Table B1b** data is provided by 28 publishers for similar detail in both dollars and units.

TABLE B1a - SALES OF PROFESSIONAL BOOKS-BY CATEGORY OF PUBLICATION

MILLIONS OF DOLLARS - AS REPORTED BY 30 PUBLISHERS

				PERCENT RETURNS - GROSS	
	GROSS SALES	RETURNS	NET SALES	AVERAGE	MID-RANGE
19 TECH'L & SCIENTIFIC					
1985	130.8	18.8	112.0	14.4	4.7 TO 14.7
1984	123.2	18.3	105.0	14.8	7.5 TO 15.2
PERCENT CHANGE	6.1	3.1	6.7		
10 BUSINESS & OTHER PROF					
1985	107.9	15.0	92.9	13.9	7.9 TO 19.8
1984	99.2	12.4	86.8	12.5	10.1 TO 19.2
PERCENT CHANGE	8.7	20.8	7.0		
17 MEDICAL					
1985	191.3	26.0	165.3	13.6	10.0 TO 15.8
1984	177.8	24.3	153.5	13.7	10.1 TO 15.8
PERCENT CHANGE	7.6	6.9	7.7		
ALL PROFESSIONAL					
1985	430.0	59.8	370.2	13.9	5.4 TO 15.2
1984	400.3	54.9	345.4	13.7	7.3 TO 16.8
PERCENT CHANGE	7.4	8.9	7.2		

FIGURE B1 - ESTIMATED PROFESSIONAL BOOK NET SALES 1972, 1977, 1982, 1984-85



Data from Table S1

TABLE B1b - SALES OF PROFESSIONAL BOOKS-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 28 PUBLISHERS

	GROSS SALES									
	1985		1984		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
TECHNICAL & SCIENTIFIC	117025	4696	111461	4809	5.0	-2.3				
BUSINESS & OTHER PROF.	107898	5130	99232	4639	8.7	10.6				
MEDICAL	187352	7782	173926	6982	7.7	11.5				
ALL PROFESSIONAL	412275	17608	384619	16430	7.2	7.2				

Continued on page B-3

TABLE B1b - SALES OF PROFESSIONAL BOOKS-BY CATEGORY OF PUBLICATION

Continued from page B-2

	RETURNS									
	1985		1984		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
TECHNICAL & SCIENTIFIC	17557	781	17379	968	1.0	-19.3				
BUSINESS & OTHER PROF.	14995	771	12440	683	20.5	12.9				
MEDICAL	25489	1088	23811	1020	7.0	6.7				
ALL PROFESSIONAL	58041	2640	53630	2671	8.2	-1.2				

	NET SALES									
	1985		1984		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
TECHNICAL & SCIENTIFIC	99468	3915	94082	3841	5.7	1.9				
BUSINESS & OTHER PROF.	92903	4359	86792	3956	7.0	10.2				
MEDICAL	161863	6694	150115	5962	7.8	12.3				
ALL PROFESSIONAL	354234	14968	330989	13759	7.0	8.8				

	1985 PERCENT RETURNS TO GROSS							
	DOLLARS		UNITS		YOUR DATA			
	AVERAGE	MID-RANGE	AVERAGE	MID-RANGE				
TECHNICAL & SCIENTIFIC	15.0	5.0 TO 15.5	16.6	9.2 TO 17.5				
BUSINESS & OTHER PROF.	13.9	7.9 TO 19.8	15.0	10.4 TO 18.4				
MEDICAL	13.6	9.7 TO 16.1	14.0	9.4 TO 16.5				
ALL PROFESSIONAL	14.1	6.0 TO 15.2	15.0	9.0 TO 16.5				

	DOLLARS PER UNIT NET SALES							
	1985		1984		YOUR DATA			
	$-AVG	$-RANGE-AVG	$-AVG	$-RANGE-AVG				
TECHNICAL & SCIENTIFIC	25.41	3.51 TO 43.84	24.49	3.55 TO 43.65				
BUSINESS & OTHER PROF.	21.31	13.14 - 114.13	21.94	13.76 - 118.92				
MEDICAL	24.18	12.89 TO 41.88	25.18	13.52 TO 43.10				
ALL PROFESSIONAL	23.67	3.51 - 114.13	24.06	3.55 - 118.92				

TABLE B2 - NET SALES OF PROFESSIONAL BOOKS-BY SUBJECT CATEGORY

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 25 PUBLISHERS

	1985					1984				
	DOLLARS		UNITS		AVERAGE DOLLARS	DOLLARS		UNITS		AVERAGE DOLLARS
	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT
TECHNICAL & SCIENTIFIC (TOTAL)	104844	100.0	4078	100.0	25.71	99728	100.0	4040	100.0	24.69
MATHEMATICS, PROBABILITY & STAT.	6343	6.0	216	5.3	29.37	6092	6.1	254	6.3	23.98
COMPUTER SCIENCES	19994	19.1	1170	28.7	17.09	16385	16.4	1051	26.0	15.59
ENGINEERING	28869	27.5	977	24.0	29.55	23862	23.9	828	20.5	28.82
BIOLOGICAL SCIENCES	9722	9.3	318	7.8	30.57	10837	10.9	386	9.6	28.08
PHYSICAL SCIENCES	15477	14.8	358	8.8	43.23	14976	15.0	356	8.8	42.07
EARTH SCIENCES	2497	2.4	69	1.7	36.19	3736	3.7	94	2.3	39.74
SOCIAL SCIENCES (TOTAL)	7703	7.3	420	10.3	18.34	8263	8.3	434	10.7	19.04
ECONOMICS	706	0.7	32	0.8	22.06	682	0.7	30	0.7	22.73
PSYCHOLOGY	1822	1.7	111	2.7	16.41	2128	2.1	119	2.9	17.88
OTHER SOCIAL SCI.	3382	3.2	227	5.6	14.90	3657	3.7	230	5.7	15.90
SOC. SC.-NOT GIVEN	1793	1.7	50	1.2	35.86	1797	1.8	55	1.4	32.67
ARCHITECTURE	4014	3.8	115	2.8	34.90	6838	6.9	244	6.0	28.02
OTHER TECH. & SCIENT.	10225	9.8	435	10.7	23.51	8738	8.8	393	9.7	22.23
BUSINESS & OTHER PROFESSIONAL (TOTAL)	26038	100.0	1526	100.0	17.06	26245	100.0	1430	100.0	18.35
BUSINESS	14134	54.3	859	56.3	16.45	14169	54.0	843	59.0	16.81
LAW	6885	26.4	411	26.9	16.75	6107	23.3	274	19.2	22.29
EDUCATION	2884	11.1	184	12.1	15.67	3268	12.5	213	14.9	15.34
OTHER BUSINESS & PROFESSIONAL	2135	8.2	72	4.7	29.65	2701	10.3	99	6.9	27.28
MEDICAL (TOTAL)	143411	100.0	5418	100.0	26.47	132800	100.0	4843	100.0	27.42
MEDICAL PROFESSIONAL (TOTAL)	89838	62.6	2685	49.6	33.46	82054	61.8	2360	48.7	34.77
MEDICINE	68643	47.9	1975	36.5	34.76	65133	49.0	1759	36.3	37.03
DENTISTRY	7045	4.9	229	4.2	30.76	6658	5.0	227	4.7	29.33
VETERINARY MED.	2892	2.0	71	1.3	40.73	2497	1.9	56	1.2	44.59
OTHER MED. PROF.	7978	5.6	296	5.5	26.95	5443	4.1	248	5.1	21.95
MED. PROF-NOT GIVN	3280	2.3	114	2.1	28.77	2321	1.7	70	1.4	33.16
MEDICAL TEXTBOOKS (TOTAL)	53573	37.4	2733	50.4	19.60	50746	38.2	2483	51.3	20.44
NURSING	22669	15.8	1241	22.9	18.27	22395	16.9	1195	24.7	18.74
ALLIED HEALTH	10129	7.1	500	9.2	20.26	9262	7.0	434	9.0	21.34
OTHER TEXTBOOKS	17113	11.9	800	14.8	21.39	15895	12.0	672	13.9	23.65
MED. TEXTS-NOT GIV	3662	2.6	192	3.5	19.07	3194	2.4	182	3.8	17.55

TABLE B3 - DOMESTIC NET SALES OF PROFESSIONAL BOOKS-BY TYPE OF CUSTOMER

THOUSANDS OF DOLLARS - AS REPORTED BY 29 PUBLISHERS

	ALL SALES		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL
RETAIL STORES (TOTAL)	73566	24.8	30470	35.6	15649	23.0	24795	19.0
GENERAL BOOKSTORES	26915	11.2	14189	20.2	4600	8.8	8126	6.8
COLLEGE BOOKSTORES	30705	12.8	9850	14.0	6974	13.4	13881	11.6
OTHER RETAILERS	1929	0.8	903	1.3	385	0.7	641	0.5
UNSPECIFIED	14017		5528		3690		2147	
WHOLESALERS AND JOBBERS (TOTAL)	80283	27.1	16391	19.1	9221	13.5	49600	38.0
LIBRARY JOBBERS	30711	18.4	8347	15.9	6944	12.7	15420	21.2
ALL OTHER JOBBERS	14445	8.7	1713	3.3	464	0.8	12268	16.8
UNSPECIFIED	35127		6331		1813		21912	
LIBRARIES & INSTITUTIONS (TOTAL)	28919	9.8	10661	12.4	14890	21.9	2133	1.6
PUBLIC LIBRARIES	6591	2.9	1173	2.2	5305	8.1	113	0.1
COLLEGES AND UNIVERSITIES	9672	4.2	3836	7.2	4657	7.1	1179	1.3
SCHOOLS	1966	0.9	948	1.8	924	1.4	94	0.1
OTHER	4221	1.8	651	1.2	3443	5.3	127	0.1
UNSPECIFIED	6469		4053		561		620	
GOVERNMENT	3706	1.3	934	1.1	1306	1.9	257	0.2
INDUSTRY	11233	3.8	5994	7.0	4072	6.0	1167	0.9
SPECIAL SALES	4632	1.6	1888	2.2	372	0.5	1929	1.5
INDIVIDUAL SALES (TOTAL)	93999	31.7	19394	22.6	22623	33.2	50648	38.8
THROUGH SALESMEN	14097	6.3	113	0.1	10	0.1	13974	11.3
BY MAIL	56707	25.2	17682	22.3	5247	32.9	33778	27.2
CONVENTION SALES	615	0.3	160	0.2	43	0.3	412	0.3
UNSPECIFIED	22580		1439		17323		2484	
TOTAL	296338	100.0	85732	100.0	68133	100.0	130529	100.0

In **Table B3,** as in other succeeding tables, the data appearing in the column headed "All Sales" do **not** represent a total of the items shown horizontally in the remaining columns. Some reporting publishers have provided breakdowns of sales by category of publication, summarized in the detail columns, while others have not. However, all sales reported, whether detailed in other columns or not, are included in the "All Sales" column.

The "Percentage of Total" shown in the detail columns represents the portion of sales in a publishing category marketed to the customer type listed in the stub. "Unspecified" amounts are allocated in proportion to amounts specifically reported, as explained in the Introduction to this Annual Statistics Report.

TABLE B4 - NET SALES OF PROFESSIONAL BOOKS-BY GEOGRAPHICAL LOCATION

THOUSANDS OF DOLLARS - AS REPORTED BY 28 PUBLLISHERS

	ALL SALES		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL
UNITED STATES	312126	85.7	83800	81.9	84224	91.5	133276	84.5
CANADA	8961	2.5	1506	1.5	1416	1.5	5505	3.5
FOREIGN (TOTAL)	42974	11.8	17006	16.6	6375	6.9	19009	12.0
LATIN AMERICA	1807	0.7	488	0.5	32	0.2	1263	1.1
AUSTRALIA & N.ZEALAND	1802	0.7	521	0.6	105	0.5	1176	1.0
ASIA	10292	3.9	5314	6.0	644	3.2	4321	3.6
UNITED KINGDOM	8557	3.2	3678	4.1	460	2.3	4390	3.6
CONTINENTAL EUROPE	6401	2.4	3479	3.9	39	0.2	2381	2.0
AFRICA, NEAR & MIDDLE EAST	2418	0.9	1321	1.5	122	0.6	959	0.8
UNSPECIFIED	11696		2204		4973		4519	
TOTAL	364061	100.0	102312	100.0	92015	100.0	157790	100.0

TABLE B5 - OPERATING DATA OF PROFESSIONAL BOOK PUBLISHERS-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS

	ALL PUBLISHERS			TECHNICAL AND SCIENTIFIC		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		%	MID-RANGE		%	MID-RANGE
GROSS SALES	327749	116.5	107.6 TO 116.1	68337	116.7	104.7 TO 117.5
RETURNS AND ALLOWANCES	46371	16.5	7.6 TO 16.1	9800	16.7	4.7 TO 17.5
NET SALES	281378	100.0	100.0 TO 100.0	58537	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	86616	30.8	21.2 TO 32.6	19867	33.9	20.8 TO 34.8
ROYALTIES	30785	10.9	6.1 TO 12.7	5891	10.1	4.3 TO 10.4
TOTAL COST OF SALES	117401	41.7	28.2 TO 46.1	25758	44.0	27.5 TO 46.6
GROSS MARGIN ON SALES	163977	58.3	53.9 TO 71.8	32779	56.0	53.4 TO 72.5
OTHER INCOME	5958	2.1	1.3 TO 4.9	552	0.9	3.6 TO 6.2
OPERATING EXPENSE						
EDITORIAL	22875	8.1	5.9 TO 12.1	4709	8.1	6.9 TO 14.1
PRODUCTION	17164	6.1	1.8 TO 9.9	2525	4.3	2.6 TO 10.8
MARKETING	61159	21.8	14.9 TO 24.6	11427	19.6	14.5 TO 24.7
FULFILLMENT	21607	7.7	6.8 TO 11.9	4547	7.8	6.8 TO 12.6
GENERAL & ADMIN.	38311	13.6	12.5 TO 16.5	8866	15.2	12.4 TO 34.9
UNSPECIFIED	114			114		
TOTAL OPERATING EXPENSE	161230	57.3	52.6 TO 74.4	32188	55.0	63.3 TO 82.3
INCOME FROM OPERATIONS*	8705	3.1	-3.3 TO 7.5	1143	2.0	-21.1 TO 8.6

* Please see corresponding note on page B-7.

Continued on page B-7

TABLE B5 - OPERATING DATA OF PROFESSIONAL BOOK PUBLISHERS-BY CATEGORY OF PUBLICATION

Continued from page B-6

	BUSINESS & OTHER PROFESSIONAL			MEDICAL		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		%	MID-RANGE		%	MID-RANGE
GROSS SALES	43877	117.7	110.4 TO 121.8	159158	115.4	112.1 TO 115.9
RETURNS AND ALLOWANCES	6597	17.7	10.4 TO 21.8	21297	15.4	12.1 TO 15.9
NET SALES	37280	100.0	100.0 TO 100.0	137861	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	8690	23.3	19.4 TO 28.1	41092	29.8	20.0 TO 34.9
ROYALTIES	5070	13.6	10.2 TO 16.1	15743	11.4	8.1 TO 13.4
TOTAL COST OF SALES	13761	36.9	30.2 TO 43.7	56833	41.2	30.6 TO 47.1
GROSS MARGIN ON SALES	23519	63.1	56.3 TO 69.8	81028	58.8	52.9 TO 69.4
OTHER INCOME	1018	2.7	0.5 TO 3.5	2788	2.0	0.9 TO 4.0
OPERATING EXPENSE						
EDITORIAL	5015	13.5	4.3 TO 15.2	9196	6.7	6.1 TO 12.7
PRODUCTION	2748	7.4	2.4 TO 13.5	10036	7.3	1.9 TO 9.6
MARKETING	8023	21.5	18.0 TO 24.8	28480	20.7	18.7 TO 27.0
FULFILLMENT	2476	6.6	5.0 TO 12.0	12680	9.2	6.1 TO 10.5
GENERAL & ADMIN.	4564	12.2	11.9 TO 20.4	18587	13.5	10.7 TO 15.3
UNSPECIFIED	0			0		
TOTAL OPERATING EXPENSE	22826	61.2	50.4 TO 77.2	78979	57.3	49.2 TO 69.7
INCOME FROM OPERATIONS*	1711	4.6	-13.6 TO 6.8	4837	3.5	-2.3 TO 10.4

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

OPERATING DATA

Operating data of Professional Publishers is reported in two sections. The first section, **Tables B5 through B14,** provides some breakdown by category of publication; while the second section, **Tables B15 through B23,** analyzes the data by size of publisher.

Tables B5 and B15 are summary tables, offering composite income statements of the reporting publishers. The remaining tables detail specific expense areas.

Publishers, while asked to provide sales data on a calendar year basis, were given the option to furnish operating information on a fiscal year basis. 4 publishers exercised this option. The months terminating their reporting year are listed below, together with the number of publishers for each fiscal period:

April - 2
July - 1
September - 1

TABLE B6 - MANUFACTURING EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 12 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $210,444,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
BEGINNING INVENTORY	55209	26.4	14215	33.9	9114	24.4	27437	23.3
PURCHASES (TOTAL)	66415	31.8	14717	35.1	9126	24.5	36255	30.8
PLANT COSTS	33046	15.9	10280	24.5	2790	7.5	19143	16.4
PAPER, PRINTING & BINDING	33134	15.9	4437	10.6	6336	17.0	16876	14.4
UNSPECIFIED	236		0		0		236	
COST OF FREE BOOKS	1930	0.9	437	1.0	320	0.9	1129	1.0
WRITE DOWNS	4947	2.4	1828	4.4	732	2.0	2031	1.7
ENDING INVENTORY AFTER WRITE DOWNS	56621	27.1	15061	35.9	9306	25.0	27276	23.2
TOTAL MANUFACTURING EXP.	63073	30.2	13434	32.1	8615	23.1	35286	30.0

The composite manufacturing cost figure in **Table B6** includes data that reflect varying treatments of plant costs. Since a levelling effect takes place when the data are consolidated, the possibility of distortion is minimized. Nevertheless, a publisher who compares his own data with those in the survey should bear in mind that the inventory and purchase figures shown represent a mix that includes plant costs being amortized, plant costs that have been inventoried, and even some plant costs that have been written off on publication.

To place the survey data in perspective, the practices of some participating publishers are listed here:

Written off as incurred - 1
Written into inventory - 9

Amortized over 1-4 years - 1
Amortized over 3-5 years - 2
Amortized over 5 years - 2
Amortized over 6 years - 1

Although the group of publishers reporting plant cost treatment is not identical to that whose manufacturing costs are analyzed in **Tables B5 and B6,** the treatment report provides an indication of the proportion and the effect of the plant cost input on the analysis.

8 publishers with a total net sales of $185.1 million reported carrying a total of $31.2 million in unamortized plant costs on their year-end balance sheets, (16.8% of net sales).

TABLE B7 - ROYALTY EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 16 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $243,552,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ROYALTIES PAID	26378	11.7	5312	9.7	4877	13.9	15584	12.3
FEES IN LIEU OF ROYALTIES	227	0.1	127	0.2	28	0.1	72	0.1
ADVANCES WRITTEN OFF	1303	0.6	838	1.5	165	0.5	290	0.2
TOTAL ROYALTIES	27908	11.5	6277	11.1	5070	13.6	15947	11.6

In **Table B7,** in addition to providing operating data on royalties, publishers were asked to report the level of royalty advances carried on their balance sheets at reporting year end. 14 publishers responded, reporting a total aggregate advance of $5.7 million. As these publishers enjoyed combined net sales of $213.9 million, the advances reported represent 2.6% of net sales.

Detail given by category of publication included Technical & Scientific: $1.8 million in advances on net sales of $37.4 million (advances 5.0% of net sales); Business & Other Professional: $0.7 million in advances--1.1% of the reported net sales of $60.9 million; and Medical: $2.8 million in advances on net sales of $103.7 million (2.7% of net sales).

TABLE B8 - OTHER PUBLISHING INCOME-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 15 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $260,855,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SUBSIDIARY RIGHTS (TOTL)	4349	1.7	278	0.6	377	1.0	1897	1.4
REPRINT	189	0.1	79	0.2	47	0.1	63	0.0
BOOK CLUB	317	0.1	73	0.2	78	0.2	165	0.1
PERMISSIONS	115	0.0	15	0.0	47	0.1	51	0.0
FOREIGN & TRANSLATION	1344	0.5	92	0.2	146	0.4	832	0.6
OTHER	2385	0.9	19	0.0	59	0.2	786	0.6
GENERAL	1607	0.6	272	0.6	641	1.8	892	0.7
TOTAL OTHER INCOME	5956	2.3	550	1.3	1018	2.8	2788	2.1

TABLE B9 - EDITORIAL EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 18 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $344,058,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
EDITORIAL EXPENSE								
SALARIES	16946	4.9	2907	3.8	7137	8.1	5480	3.8
BENEFITS	3479	1.0	605	0.8	1366	1.5	1128	0.8
OUTSIDE EDITORIAL EXP	4362	1.3	1179	1.5	1821	2.1	1326	0.9
TRAVEL & ENTERTAINMNT	2057	0.6	307	0.4	321	0.4	994	0.7
OTHER	1844	0.5	663	0.9	-310	-0.4	729	0.5
TOTAL EDITORIAL EXPENSE	28688	8.3	5662	7.4	10335	11.7	9656	6.7

TABLE B10 - PRODUCTION EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 17 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $269,334,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PRODUCTION EXPENSE								
SALARIES	10267	3.8	1680	2.9	831	2.2	6525	4.7
BENEFITS	2578	1.0	366	0.6	207	0.6	1676	1.2
OUTSIDE PRODUCT'N EXP	457	0.2	119	0.2	19	0.1	215	0.2
OTHER	3213	1.2	360	0.6	1692	4.5	1036	0.8
TOTAL PRODUCTION EXPENSE	16515	6.1	2525	4.3	2750	7.4	9452	6.9

TABLE B11 - MARKETING EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 17 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $269,334,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SELLING EXPENSE								
SALESMEN'S SALARIES & COMMISSIONS	9770	3.6	845	1.4	1789	4.8	5093	3.7
SALESMEN'S BENEFITS	1901	0.7	184	0,3	271	0.7	1019	0.7
SALESMEN'S TRAVEL & ENTERTAINMENT	2198	0.8	426	0.7	422	1.1	499	0.4
DEPARTMENTAL SALARIES	4064	1.5	441	0.8	68	0.2	2637	1.9
DEPARTMENTAL BENEFITS	762	0.3	85	0.1	16	0.0	435	0.3
DEPARTMENTAL TRAVEL & ENTERTAINMENT	848	0.3	68	0.1	15	0.0	527	0.4
OTHER	4197	1.6	461	0.8	955	2.6	1548	1.1
TOTAL SELLING EXPENSE	23739	8.8	2510	4.3	3535	9.5	11758	8.5
PROMOTION								
DEPARTMENTAL SALARIES	4861	1.8	1636	2.8	652	1.7	1888	1.4
BENEFITS	1202	0.4	402	0.7	161	0.4	457	0.3
SPACE ADVERTISING	3221	1.2	1210	2.1	693	1.9	1007	0.7
CATALOGS & DIRECT MAIL (TOTAL)	16841	6.3	3903	6.7	1854	5.0	9664	7.0
CATALOGS	1750	0.6	361	0.6	242	0.6	366	0.3
DIRECT MAIL	13317	4.9	3542	6.1	1612	4.3	7524	5.5
UNSPECIFIED	1774		0		0		1774	
PUBLICITY	620	0.2	4	0.0	47	0.1	459	0.3
FREE COPIES	4071	1.5	602	1.0	239	0.6	1625	1.2
EXHIBITS	1401	0.5	529	0.9	84	0.2	777	0.6
OTHER	3445	1.3	631	1.1	757	2.0	846	0.6
TOTAL PROMOTION EXPENSE	35661	13.2	8917	15.2	4488	12.0	16722	12.1
TOTAL MARKETING EXPENSE	59401	22.1	11427	19.5	8023	21.5	28479	20.7

TABLE B12 - FULFILLMENT EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS

8 PUBLISHERS WITH NET SALES OF $164,914,000 -- INTERNAL FACILITIES	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ORDER PROCESSING								
SALARIES	2741	1.7	796	1.6	212	1.3	1733	1.8
BENEFITS	723	0.4	202	0.4	59	0.4	461	0.5
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	2609	1.6	745	1.5	253	1.6	1611	1.6
EQUIPMENT & SUPPLIES	464	0.3	217	0.4	79	0.5	168	0.2
OTHER	390	0.2	103	0.2	0	0.0	287	0.3
TOTAL ORDER PROCESSING	6926	4.2	2062	4.1	604	3.8	4260	4.3
SHIPPING & WAREHOUSING								
SALARIES	3267	2.0	641	1.3	191	1.2	2434	2.5
BENEFITS	838	0.5	179	0.4	58	0.4	601	0.6
OCCUPANCY	2064	1.3	606	1.2	222	1.4	1236	1.3
EQUIPMENT & SUPPLIES	992	0.6	70	0.1	22	0.1	900	0.9
TRANSPORTATION CHRGES	449	0.3	102	0.2	3	0.0	344	0.3
OTHER	377	0.2	178	0.4	5	0.0	194	0.2
TOTAL SHIPPING AND WAREHOUSING	7987	4.8	1776	3.5	502	3.2	5709	5.8
TOTAL FULFILLMENT EXP. OF PUBLISHERS UTILIZING INTERNAL FACILITIES	14913	9.0	3839	7.6	1106	7.0	9969	10.1

TABLE B13 - GENERAL AND ADMINISTRATIVE EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 15 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $238,657,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
MANAGEMENT SALARIES	3829	1.6	1363	2.4	351	1.8	1530	1.2
MANAGEMENT BENEFITS	965	0.4	371	0.6	98	0.5	333	0.3
ACCOUNTING SALARIES	2521	1.1	658	1.1	147	0.8	1435	1.1
ACCOUNTING BENEFITS	651	0.3	119	0.2	41	0.2	418	0.3
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	3014	1.3	418	0.7	167	0.9	1639	1.3
GENERAL OFFICE BENEFITS	855	0.4	97	0.2	51	0.3	459	0.4
GENERAL TRAVEL AND ENTERTAINMENT	579	0.2	158	0.3	30	0.2	236	0.2
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	3442	1.4	353	0.6	118	0.6	1814	1.4
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	6633	2.8	2053	3.6	660	3.5	3920	3.1
OTHER TAXES (EXCEPT INC. (& PAYROLL TAXES)	397	0.2	81	0.1	22	0.1	93	0.1
PERSONAL PROP. TAXES	64	0.0	13	0.0	10	0.1	6	0.0
ALL OTHER	310	0.1	61	0.1	12	0.1	70	0.1
UNSPECIFIED	22		6		0		16	
OTHER	10145	4.3	3082	5.4	676	3.5	5711	4.5
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	33031	13.8	8752	15.2	2361	12.3	17588	13.9

TABLE B14 - SUMMARY OF EMPLOYEE BENEFITS EXPENSE-BY CATEGORY OF PUBLICATION

THOUSANDS OF DOLLARS - AS REPORTED BY 13 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $200,217,000

	ALL PUBLISHERS		TECHNICAL AND SCIENTIFIC		BUSINESS AND OTHER PROF'L		MEDICAL	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PENSIONS	1536	0.8	626	1.1	177	0.9	282	0.4
DEFERRED PROFIT SHARING	555	0.3	151	0.3	38	0.2	27	0.0
HOSPITALIZATION & GROUP INSURANCE	3664	1.8	1134	2.0	359	1.9	1259	1.6
PAYROLL TAXES	3934	2.0	1127	2.0	357	1.9	1289	1.7
OTHER	664	0.3	13	0.0	16	0.1	124	0.2
TOTAL EMPLOYEE BENEFITS	10353	5.2	3051	5.5	947	5.0	2981	3.8

TABLE B15 - OPERATING DATA OF PROFESSIONAL BOOK PUBLISHERS-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS

	ALL PUBLISHERS			8 PUBLISHERS WITH NET SALES UP TO $5 MILLION		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		%	MID-RANGE		%	MID-RANGE
GROSS SALES	327749	116.5	107.6 TO 116.1	16243	108.9	103.4 TO 112.7
RETURNS AND ALLOWANCES	46371	16.5	7.6 TO 16.1	1333	8.9	3.4 TO 12.7
NET SALES	281378	100.0	100.0 TO 100.0	14910	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	86616	30.8	21.2 TO 32.6	3473	23.3	16.9 TO 31.0
ROYALTIES	30785	10.9	6.1 TO 12.7	1237	8.3	4.3 TO 10.1
TOTAL COST OF SALES	117401	41.7	28.2 TO 46.1	4710	31.6	21.3 TO 38.4
GROSS MARGIN ON SALES	163977	58.3	53.9 TO 71.8	10200	68.4	61.6 TO 78.7
OTHER INCOME	5958	2.1	1.3 TO 4.9	407	2.7	2.7 TO 6.6
OPERATING EXPENSE						
EDITORIAL	22875	8.1	5.9 TO 12.1	1559	10.6	4.9 TO 14.5
PRODUCTION	17164	6.1	1.8 TO 9.9	950	6.4	1.7 TO 11.8
MARKETING	61159	21.8	14.9 TO 24.6	3185	21.6	14.1 TO 29.5
FULFILLMENT	21607	7.7	6.8 TO 11.9	1669	11.3	7.4 TO 15.2
GENERAL & ADMIN.	38311	13.6	12.5 TO 16.5	3267	22.1	13.1 TO 42.4
UNSPECIFIED	114			114		
TOTAL OPERATING EXPENSE	161230	57.3	52.6 TO 74.4	10744	72.1	63.9 TO 85.5
INCOME FROM OPERATIONS*	8705	3.1	-3.3 TO 7.5	-137	-0.9	-11.8 TO 5.1

Continued on page B-15

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

TABLE B15 - OPERATING DATA OF PROFESSIONAL BOOK PUBLISHERS-BY SIZE OF PUBLISHER

Continued from page B-14

	6 PUBLISHERS WITH NET SALES $5 TO $20 MILLION			5 PUBLISHERS WITH NET SALES ABOVE $20 MILLION		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		%	MID-RANGE		%	MID-RANGE
GROSS SALES	98058	116.0	113.9 TO 119.7	213448	117.3	114.7 TO 119.8
RETURNS AND ALLOWANCES	13498	16.0	13.9 TO 19.7	31540	17.3	14.7 TO 19.8
NET SALES	84560	100.0	100.0 TO 100.0	181908	100.0	100.0 TO 100.0
COST OF SALES						
~~MANUFACTURING~~	28412	33.6	22.9 TO 45.6	54731	30.1	24.8 TO 32.6
ROYALTIES	7677	9.1	4.7 TO 13.8	21871	12.0	10.4 TO 13.4
TOTAL COST OF SALES	36089	42.7	30.5 TO 49.3	76602	42.1	35.8 TO 46.0
GROSS MARGIN ON SALES	48471	57.3	50.7 TO 69.5	105306	57.9	54.0 TO 64.2
OTHER INCOME	1202	1.4	0.3 TO 3.5	4349	2.4	1.2 TO 4.6
OPERATING EXPENSE						
EDITORIAL	6283	7.4	6.9 TO 8.3	15033	8.3	4.8 TO 14.4
PRODUCTION	3407	4.0	1.3 TO 6.4	12807	7.0	3.3 TO 11.7
MARKETING	15595	18.4	14.8 TO 23.3	42379	23.3	20.5 TO 27.7
FULFILLMENT	6989	8.3	6.6 TO 11.1	12949	7.1	4.3 TO 9.7
GENERAL & ADMIN.	12379	14.6	11.1 TO 16.5	22665	12.5	11.5 TO 14.4
UNSPECIFIED	0			0		
TOTAL OPERATING EXPENSE	44653	52.8	47.0 TO 60.3	105833	58.2	52.0 TO 66.8
INCOME FROM OPERATIONS*	5020	5.9	0.3 TO 21.7	3822	2.1	-5.5 TO 9.7

* See the corresponding note on page B-14.

TABLE B16 - MANUFACTURING EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 12 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $210,444,000

	ALL PUBLISHERS		4 PUBLISHERS WITH NET SALES UP TO $5 MILLION		4 PUBLISHERS WITH NET SALES $5 TO $20 MILLION		4 PUBLISHERS WITH NET SALES ABOVE $20 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
BEGINNING INVENTORY	55209	26.4	2078	25.6	12008	22.0	41123	28.1
PURCHASES (TOTAL)	66415	31.8	2231	27.5	18914	34.7	45271	31.0
PLANT COSTS	33046	15.9	711	9.8	4908	9.0	27427	18.8
PAPER, PRINTING & BINDING	33134	15.9	1284	17.7	14006	25.7	17844	12.2
UNSPECIFIED	236		236		0		0	
COST OF FREE BOOKS	1930	0.9	53	0.7	406	0.7	1471	1.0
WRITE DOWNS	4947	2.4	186	2.3	1302	2.4	3459	2.4
ENDING INVENTORY AFTER WRITE DOWNS	56621	27.1	2301	28.4	12901	23.7	41420	28.3
TOTAL MANUFACTURING EXP.	63073	30.2	1955	24.1	17615	32.3	43502	29.8

See also the discussion following **Table B-6.**

TABLE B17 - ROYALTY EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 16 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $243,552,000

	ALL PUBLISHERS		6 PUBLISHERS WITH NET SALES UP TO $5 MILLION		6 PUBLISHERS WITH NET SALES $5 TO $20 MILLION		4 PUBLISHERS WITH NET SALES ABOVE $20 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ROYALTIES PAID	26378	11.7	1116	10.7	8306	11.6	16956	12.0
FEES IN LIEU OF ROYALTIES	227	0.1	29	0.3	19	0.0	179	0.1
ADVANCES WRITTEN OFF	1303	0.6	1	0.0	33	0.0	1269	0.9
TOTAL ROYALTIES	27908	11.5	1147	9.0	8358	9.9	18404	12.6

TABLE B18 - EDITORIAL EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 18 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $344,058,000

	ALL PUBLISHERS		7 PUBLISHERS WITH NET SALES UP TO $5 MILLION		5 PUBLISHERS WITH NET SALES $5 TO $20 MILLION		6 PUBLISHERS WITH NET SALES ABOVE $20 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
EDITORIAL EXPENSE								
SALARIES	16946	4.9	953	6.4	2722	3.8	13271	5.2
BENEFITS	3479	1.0	172	1.2	449	0.6	2859	1.1
OUTSIDE EDITORIAL EXP	4362	1.3	276	1.9	769	1.1	3316	1.3
TRAVEL & ENTERTAINMNT	2057	0.6	66	0.4	576	0.8	1415	0.6
OTHER	1844	0.5	93	0.6	846	1.2	905	0.4
TOTAL EDITORIAL EXPENSE	28688	8.3	1559	10.5	5363	7.4	21765	8.5

TABLE B19 - PRODUCTION EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 17 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $269,334,000

	ALL PUBLISHERS		7 PUBLISHERS WITH NET SALES UP TO $5 MILLION		5 PUBLISHERS WITH NET SALES $5 TO $20 MILLION		5 PUBLISHERS WITH NET SALES ABOVE $20 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PRODUCTION EXPENSE								
SALARIES	10267	3.8	633	4.3	2035	2.8	7599	4.2
BENEFITS	2578	1.0	123	0.8	478	0.7	1977	1.1
OUTSIDE PRODUCT'N EXP	457	0.2	120	0.8	38	0.1	298	0.2
OTHER	3213	1.2	75	0.5	790	1.1	2348	1.3
TOTAL PRODUCTION EXPENSE	16515	6.1	951	6.4	3341	4.6	12223	6.7

TABLE B20 - MARKETING EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 17 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $269,334,000

	ALL PUBLISHERS		7 PUBLISHERS WITH NET SALES UP TO $5 MILLION		5 PUBLISHERS WITH NET SALES $5 TO $20 MILLION		5 PUBLISHERS WITH NET SALES ABOVE $20 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SELLING EXPENSE								
SALESMEN'S SALARIES & COMMISSIONS	9770	3.6	67	0.4	1154	1.6	8549	4.7
SALESMEN'S BENEFITS	1901	0.7	2	0.0	176	0.2	1723	0.9
SALESMEN'S TRAVEL & ENTERTAINMENT	2198	0.8	1	0.0	407	0.6	1790	1.0
DEPARTMENTAL SALARIES	4064	1.5	261	1.8	916	1.3	2887	1.6
DEPARTMENTAL BENEFITS	762	0.3	48	0.3	154	0.2	560	0.3
DEPARTMENTAL TRAVEL & ENTERTAINMENT	848	0.3	22	0.2	113	0.2	712	0.4
OTHER	4197	1.6	146	1.0	922	1.3	3129	1.7
TOTAL SELLING EXPENSE	23739	8.8	547	3.7	3841	5.3	19351	10.6
PROMOTION								
DEPARTMENTAL SALARIES	4861	1.8	332	2.2	1032	1.4	3496	1.9
BENEFITS	1202	0.4	57	0.4	218	0.3	927	0.5
SPACE ADVERTISING	3221	1.2	194	1.3	301	0.4	2726	1.5
CATALOGS & DIRECT MAIL (TOTAL)	16841	6.3	1787	12.0	6032	8.3	9023	5.0
CATALOGS	1750	0.6	366	2.5	75	0.1	1309	0.7
DIRECT MAIL	13317	4.9	1421	9.5	4182	5.8	7714	4.2
UNSPECIFIED	1774		0		1774		0	
PUBLICITY	620	0.2	4	0.0	12	0.0	603	0.3
FREE COPIES	4071	1.5	91	0.6	771	1.1	3210	1.8
EXHIBITS	1401	0.5	37	0.3	938	1.3	426	0.2
OTHER	3445	1.3	136	0.9	692	1.0	2618	1.4
TOTAL PROMOTION EXPENSE	35661	13.2	2637	17.7	9995	13.8	23029	12.7
TOTAL MARKETING EXPENSE	59401	22.1	3184	21.4	13836	19.1	42380	23.3

TABLE B21 - FULFILLMENT EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS

8 PUBLISHERS WITH NET SALES OF $164,914,000 UTILIZING INTERNAL FACILITIES	ALL PUBLISHERS		2 PUBLISHERS WITH NET SALES UP TO $5 MILLION		3 PUBLISHERS WITH NET SALES $5 TO $20 MILLION		3 PUBLISHERS WITH NET SALES ABOVE $20 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ORDER PROCESSING								
SALARIES	2741	1.7			636	1.6	1965	1.6
BENEFITS	723	0.4			182	0.5	510	0.4
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	2609	1.6			764	2.0	1767	1.4
EQUIPMENT & SUPPLIES	464	0.3			57	0.1	390	0.3
OTHER	390	0.2			273	0.7	100	0.1
TOTAL ORDER PROCESSING	6926	4.2			1912	4.9	4733	3.8
SHIPPING & WAREHOUSING								
SALARIES	3267	2.0			579	1.5	2644	2.2
BENEFITS	838	0.5			209	0.5	620	0.5
OCCUPANCY	2064	1.3			452	1.2	1550	1.3
EQUIPMENT & SUPPLIES	992	0.6			100	0.3	869	0.7
TRANSPORTATION CHRGES	449	0.3			312	0.8	95	0.1
OTHER	377	0.2			274	0.7	83	0.1
TOTAL SHIPPING AND WAREHOUSING	7987	4.8			1927	4.9	5861	4.8
TOTAL FULFILLMENT EXP. OF PUBLISHERS UTILIZING INTERNAL FACILITIES	14913	9.0			3839	9.8	10594	8.6

See also the text accompanying Table B12.

TABLE B22 - GENERAL AND ADMINISTRATIVE EXPENSE-BY SIZE OF PUBLISHER

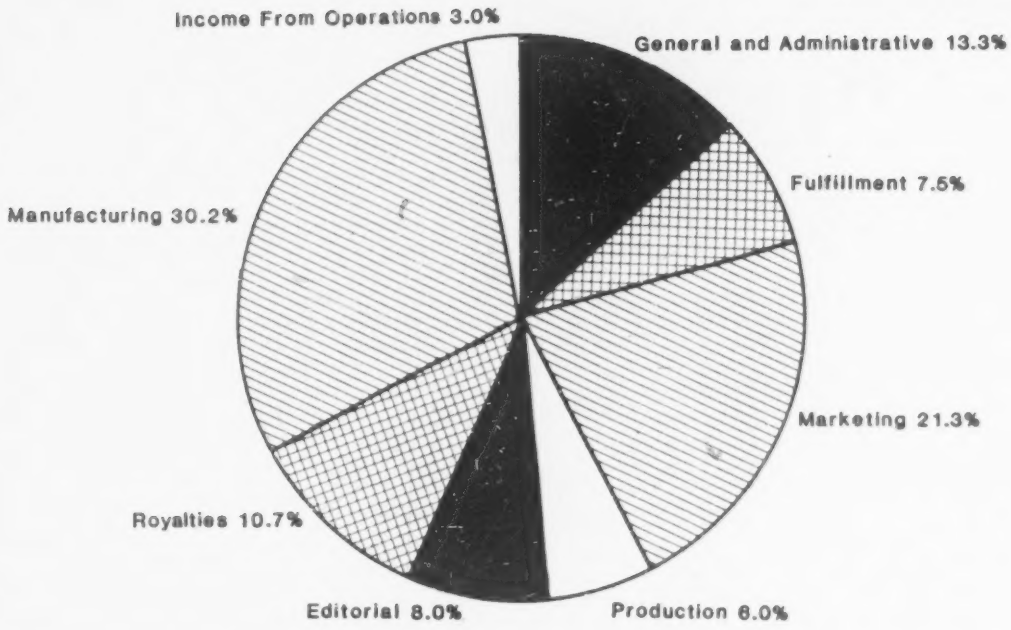
THOUSANDS OF DOLLARS - AS REPORTED BY 15 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $238,657,000

	ALL PUBLISHERS		7 PUBLISHERS WITH NET SALES UP TO $5 MILLION		4 PUBLISHERS WITH NET SALES $5 TO $20 MILLION		4 PUBLISHERS WITH NET SALES ABOVE $20 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
MANAGEMENT SALARIES	3829	1.6	835	5.6	991	1.5	2004	1.3
MANAGEMENT BENEFITS	965	0.4	239	1.6	193	0.3	534	0.3
ACCOUNTING SALARIES	2521	1.1	224	1.5	695	1.1	1602	1.0
ACCOUNTING BENEFITS	651	0.3	10	0.1	140	0.2	502	0.3
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	3014	1.3	116	0.8	767	1.2	2131	1.3
GENERAL OFFICE BENEFITS	855	0.4	22	0.1	173	0.3	660	0.4
GENERAL TRAVEL AND ENTERTAINMENT	579	0.2	42	0.3	175	0.3	362	0.2
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	3442	1.4	70	0.5	774	1.2	2598	1.6
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	6633	2.8	603	4.1	1626	2.5	4404	2.8
OTHER TAXES (EXCEPT INC. & PAYROLL TAXES)	397	0.2	42	0.3	68	0.1	287	0.2
PERSONAL PROP. TAXES	64	0.0	24	0.2	5	0.0	35	0.0
ALL OTHER	310	0.1	5	0.0	63	0.1	242	0.2
UNSPECIFIED	22		12		0		10	
OTHER	10145	4.3	1067	7.2	4321	6.6	4757	3.0
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	33031	13.8	3268	22.0	9923	15.2	19840	12.5

TABLE B23 - SUMMARY OF EMPLOYEE BENEFITS EXPENSE-BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 13 PUBLISHERS OF PROFESSIONAL BOOKS, WITH TOTAL NET SALES OF $200,217,000

	ALL PUBLISHERS		5 PUBLISHERS WITH NET SALES UP TO $5 MILLION		5 PUBLISHERS WITH NET SALES $5 TO $20 MILLION		3 PUBLISHERS WITH NET SALES ABOVE $20 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PENSIONS	1536	0.8	109	1.0	552	0.7	875	0.8
DEFERRED PROFIT SHARING	555	0.3	0	0.0	38	0.0	517	0.5
HOSPITALIZATION & GROUP INSURANCE	3664	1.8	264	2.4	1414	1.8	1987	1.8
PAYROLL TAXES	3934	2.0	191	1.7	1390	1.8	2353	2.1
OTHER	664	0.3	11	0.1	264	0.3	389	0.3
TOTAL EMPLOYEE BENEFITS	10353	5.2	574	5.2	3657	4.7	6122	5.5



Based on data reported in Table B5
Income (100%) Equals Net Sales (98.0%) plus Other Income (2.0%)

FIGURE B2 - 1985 DISPOSITION OF INCOME BY PROFESSIONAL PUBLISHERS

TABLE B24 - EMPLOYEE DATA

AS REPORTED BY 19 PUBLISHERS OF PROFESSIONAL BOOKS, EMPLOYING 2,918 TOTAL STAFF
(NET SALES PER EMPLOYEE - $109,806)

	PERCENT OF TOTAL	
	AVERAGE	MID-RANGE
EDITORIAL	23.7	14.8 TO 29.9
PRODUCTION	20.7	8.3 TO 25.4
MARKETING (TOTAL)	24.0	16.5 TO 26.3
SALESMEN	9.4	6.0 TO 17.2
SALES DEPARTMENT	5.6	4.4 TO 13.4
PROMOTION	7.7	7.4 TO 16.6
UNSPECIFIED	1.3	
FULFILLMENT (TOTAL)	15.3	13.1 TO 26.3
ORDER PROCESSING	9.6	6.7 TO 19.9
SHIPPING & WAREHOUS'G	5.7	7.3 TO 11.1
ADMINISTRATIVE MANAGEM'T	5.5	4.0 TO 12.9
GENERAL OFFICE	8.9	4.9 TO 15.3
OTHER	1.7	2.8 TO 6.3
EMPLOYEES PER $100,000 SALES	0.9	0.8 TO 1.3

TABLE B25 - BILLINGS AND RECEIVABLES

OF PROFESSIONAL BOOK PUBLISHERS

	NUMBER OF PUBL. REP'TG	AMOUNT
NET SALES ($000)	16	253426
NUMBER OF INVOICES ANNUALLY (000)	11	1036
AVERAGE INV. VALUE-$		92.38
NUMBER OF CREDIT MEMOS ANNUALLY (000)		107
ACC'TS RECEIVABLE (AT YEAR END - $000)	16	65185
A/R AS PCT OF NET SLS		25.7
ACC'TS RECEIVABLE - AGED TOTAL ($000)	12	53630
PCT. CURRENT		56.9
PCT. PAST DUE		
1-30 DAYS		21.2
31-60 DAYS		8.0
61 DAYS & OVER		13.9
BAD DEBT RESERVE ($000)	13	2159
PCT. OF NET SALES		1.1
PCT. OF ACC'TS RECE.		4.8
BAD DEBT LOSSES ($000)	13	1475
PCT. OF NET SALES		0.8
PCT. OF ACC'TS RECE.		3.6
AVERAGE COLLECTION PERIOD (DAYS)	11	97
RANGE (DAYS)		58-138

TABLE B26 - INVENTORY TURNOVER

OF PROFESSIONAL BOOK PUBLISHERS

	NUMBER OF PUBL. REP'TS	NET SALES ($000)	INV. TURN-OVER
TECHNICAL & SCIENTIFIC	5	41905	0.9
BUSINESS & OTHER PROF'L	6	37280	0.9
MEDICAL	10	119247	1.3
SALES UP TO $5 MILLION	4	9699	0.9
SALES $5 TO $20 MILLION	4	54525	1.4
SALES ABOVE $20 MILLION	4	146220	1.1

In **Table B26** inventory turnover is established by dividing Total Manufacturing Cost by the average of Beginning Inventory and Ending Inventory After Writedowns. For pertinent definitions, refer to pages B1 and B2 of Operating Data Questionnaire Form B. Also please note the text comments on plant costs and plant cost treatment following **Table B6.**

In comparing his own inventory turnover with that reported here, a publisher should bear in mind not only the possible impact of plant cost treatment on inventory values, but also the variations in such values resulting from differing writedown policies. Most writedown practices in the industry must, perforce, be based on the subjective judgement of market values, reflecting varying life expectancies and turnover of product lines and individual titles. A publisher must keep his own sales patterns in mind, therefore, when making the comparison.

SECTION C - MASS MARKET PAPERBACK PUBLISHERS

Please refer to the GENERAL INSTRUCTIONS AND DEFINITIONS, and the specific instructions and definitions for this divisional survey in QUESTIONNAIRE FORM C (available on request from the AAP New York Office) to insure the correct interpretation of this report. Furthermore, the methodology used in gathering and reporting data, which is discussed in the INTRODUCTION should be reviewed for a full understanding of the tables and text.

Table C1 provides a sales summary based on data reported by 8 rack-sized book publishers and by 8 non-rack-sized publishers.

These publishers of mass market paperbacks reported net sales of $686.1 million to this 1985 Survey. Of these sales $589.9 million were in rack-sized books (i.e. books measuring 4-1/4" x 7-1/8") and $96.2 million were in non-rack-sized books (including a range of paperback books, smaller and larger than rack-sized, but excluding non-book products). Based on the estimates of industry sales in **Table S1** and its accompanying footnotes, the participating publishers appear to represent some 73.6% of this industry segment.

Table C2 provides a breakdown of these sales by type of customer. **Table C3** and subsequent tables are devoted to reporting operating, balance sheet and employee data.

TABLE C1 - SALES OF MASS MARKET PAPERBACKS

MILLIONS OF DOLLARS AND UNITS - AS REPORTED BY 8 PUBLISHERS

A. RACK-SIZED BOOKS	1985			1984			PERCENT CHANGE 85/84		
	$	UNITS	$ AVG. PER UNIT	$	UNITS	$ AVG. PER UNIT	$	UNITS	$ AVG. PER UNIT
GROSS SALES	956.6	544.3	1.757	921.0	570.6	1.614	3.9	-4.6	8.9
CREDITED RETURNS	366.6	218.4	1.679	353.4	226.8	1.558	3.7	-4.7	7.8
NET SALES	589.9	326.0	1.810	567.6	343.8	1.651	3.9	-5.2	9.6
PERCENT RETURNS TO GROSS	38.3	40.1		38.4	39.8		-0.3	-0.8	

	1983			PERCENT CHANGE 85/83			PERCENT CHANGE 84/83		
	$	UNITS	$ AVG. PER UNIT	$	UNITS	$ AVG. PER UNIT	$	UNITS	$ AVG. PER UNIT
GROSS SALES	866.3	549.9	1.575	10.4	-1.0	11.6	6.3	3.8	2.5
CREDITED RETURNS	328.4	230.1	1.427	11.6	-5.1	17.7	7.6	-1.4	9.2
NET SALES	537.9	319.8	1.682	9.7	1.9	7.6	5.5	7.5	-1.8
PERCENT RETURNS TO GROSS	37.9	41.8		1.1	-4.1		1.3	-4.8	

Continued on page C-2

TABLE C1 - SALES OF MASS MARKET PAPERBACKS

Continued from page C-1

MILLIONS OF DOLLARS AND UNITS - AS REPORTED BY 8 PUBLISHERS

B. NON-RACK-SIZED BOOKS	1985			1984			PERCENT CHANGE 85/84		
	$	UNITS	$ AVG. PER UNIT	$	UNITS	$ AVG. PER UNIT	$	UNITS	$ AVG. PER UNIT
GROSS SALES	128.9	44.9	2.871	130.7	50.3	2.599	-1.3	-10.7	10.5
CREDITED RETURNS	32.7	10.3	3.172	34.5	11.1	3.117	-5.2	-6.9	1.8
NET SALES	96.2	34.6	2.781	96.1	39.2	2.452	0.1	-11.8	13.4
PERCENT RETURNS TO GROSS	25.4	23.0		26.4	22.0		-3.8	4.5	

	1983			PERCENT CHANGE 85/83			PERCENT CHANGE 84/83		
	$	UNITS	$ AVG. PER UNIT	$	UNITS	$ AVG. PER UNIT	$	UNITS	$ AVG. PER UNIT
GROSS SALES	143.0	55.4	2.584	-9.9	-18.9	11.1	-8.6	-9.2	0.5
CREDITED RETURNS	28.9	11.1	2.592	13.4	-7.4	22.4	19.6	-0.5	20.3
NET SALES	114.1	44.2	2.582	-15.7	-21.8	7.7	-15.8	-11.3	-5.0
PERCENT RETURNS TO GROSS	20.2	20.1		25.7	14.4		30.7	9.5	

TABLE C2a - SALES OF RACK-SIZED MASS MARKET PAPERBACKS-BY TYPE OF CUSTOMER

THOUSANDS OF DOLLARS AND UNITS AS REPORTED BY 8 PUBLISHERS

RACK-SIZED BOOKS 1985	GROSS SALES			CREDITED RETURNS			NET SALES		
	$	UNITS	$/UNIT	$	UNITS	$/UNIT	$	UNITS	$/UNIT
WHOLESALERS-U.S., CANADA									
NEW RELEASES	369707	206145	1.791						
REORDERS	104831	61087	1.716						
TOTAL WHOLESALERS	474138	267232	1.774	251252	151631	1.657	222886	115601	1.928
DIRECT ACCOUNTS									
JOBBERS	142937	82134	1.740	33976	20601	1.649	108961	61533	1.771
RETAILERS	305610	162796	1.877	76537	42677	1.793	229073	120119	1.907
EXPORT & MILITARY	20331	16344	1.244	4766	3369	1.415	15565	12975	1.200
TOTAL DIRECT	468979	261274	1.795	115279	66647	1.730	353600	194627	1.817
SPECIAL SALES	13556	15836	0.856	117	84	1.393	13439	15752	0.853
TOTAL	956573	544342	1.757	366648	218363	1.679	589925	325979	1.810
WEIGHTED AVERAGE COVER PRICE ($)	3.501								

Continued on page C-3

TABLE C2a - SALES OF RACK-SIZED MASS MARKET PAPERBACKS-BY TYPE OF CUSTOMER

Continued from page C-2

RACK-SIZED BOOKS 1984	GROSS SALES			CREDITED RETURNS			NET SALES		
	$	UNITS	$/UNIT	$	UNITS	$/UNIT	$	UNITS	$/UNIT
WHOLESALERS-U.S., CANADA									
NEW RELEASES	365623	223222	1.638						
REORDERS	91726	57007	1.609						
TOTAL WHOLESALERS	457349	280229	1.632	231673	153923	1.505	225676	126306	1.787
DIRECT ACCOUNTS									
JOBBERS	130828	79129	1.653	33087	20129	1.644	97741	59000	1.657
RETAILERS	295922	165036	1.793	83767	49110	1.706	212155	115926	1.830
EXPORT & MILITARY	19884	17809	1.117	4726	3540	1.335	15158	14269	1.062
TOTAL DIRECT	446635	261974	1.705	121580	72779	1.671	325055	189195	1.718
SPECIAL SALES	16982	28411	0.598	151	142	1.063	16831	28269	0.595
TOTAL	920966	570614	1.614	353404	226844	1.558	567562	343770	1.651
WEIGHTED AVERAGE COVER PRICE ($)	3.266								

RACK-SIZED BOOKS 1983	GROSS SALES			CREDITED RETURNS			NET SALES		
	$	UNITS	$/UNIT	$	UNITS	$/UNIT	$	UNITS	$/UNIT
WHOLESALERS-U.S., CANADA									
NEW RELEASES	338902	215426	1.573						
REORDERS	99575	64843	1.536						
TOTAL WHOLESALERS	438477	280269	1.564	213914	153832	1.391	224563	126437	1.776
DIRECT ACCOUNTS									
JOBBERS	118850	73915	1.608	30409	21533	1.412	88441	52382	1.688
RETAILERS	273852	158098	1.732	79764	51076	1.562	194088	107022	1.814
EXPORT & MILITARY	22537	19935	1.131	4155	3555	1.169	18382	16380	1.122
TOTAL DIRECT	415239	251948	1.648	114329	76163	1.501	300910	175785	1.712
SPECIAL SALES	12572	17658	0.712	164	92	1.783	12408	17566	0.706
TOTAL	866288	549875	1.575	328407	230087	1.427	537881	319788	1.682
WEIGHTED AVERAGE COVER PRICE ($)	3.038								

WEIGHTED AVERAGE COVER PRICE

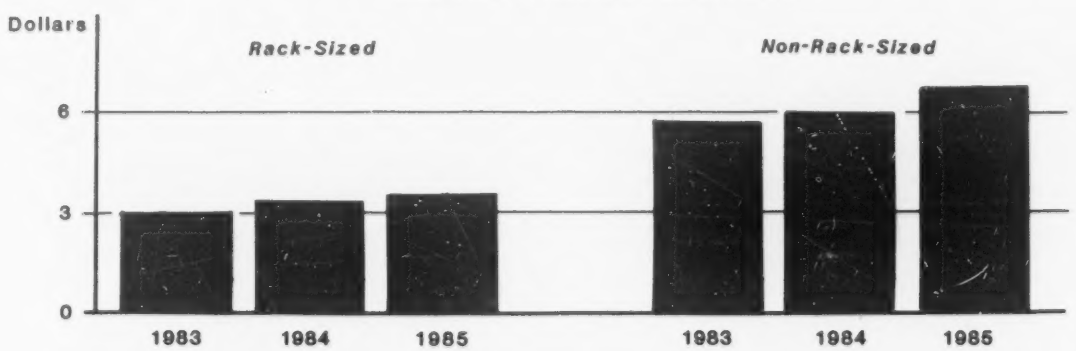


TABLE C2b - SALES OF NON-RACK-SIZED MASS MARKET PAPERBACKS-BY TYPE OF CUSTOMER

THOUSANDS OF DOLLARS AND UNITS AS REPORTED BY 8 PUBLISHERS

NON-RACK-SIZED BOOKS 1985	GROSS SALES			CREDITED RETURNS			NET SALES		
	$	UNITS	$/UNIT	$	UNITS	$/UNIT	$	UNITS	$/UNIT
WHOLESALERS-U.S., CANADA									
NEW RELEASES	17391	5526	3.147						
REORDERS	9769	4139	2.360						
TOTAL WHOLESALERS	27160	9665	2.810	11613	3897	2.980	15547	5768	2.695
DIRECT ACCOUNTS									
JOBBERS	28479	10777	2.643	6184	1915	3.229	22295	8862	2.516
RETAILERS	68489	21721	3.153	13944	4011	3.476	54545	17710	3.080
EXPORT & MILITARY	2247	1070	2.100	387	201	1.925	1860	869	2.140
TOTAL DIRECT	99214	33569	2.956	20514	6127	3.348	78700	27442	2.868
SPECIAL SALES	2552	1671	1.527	599	292	2.051	1953	1379	1.416
TOTAL	128926	44905	2.871	32726	10316	3.172	96200	34589	2.781
WEIGHTED AVERAGE COVER PRICE ($)	4.734								

NON-RACK-SIZED BOOKS 1984	GROSS SALES			CREDITED RETURNS			NET SALES		
	$	UNITS	$/UNIT	$	UNITS	$/UNIT	$	UNITS	$/UNIT
WHOLESALERS-U.S., CANADA									
NEW RELEASES	20491	6888	2.975						
REORDERS	10748	4948	2.172						
TOTAL WHOLESALERS	31239	11836	2.639	11635	4197	2.772	19604	7639	2.566
DIRECT ACCOUNTS									
JOBBERS	26266	11319	2.321	7435	2285	3.254	18831	9034	2.084
RETAILERS	67561	24282	2.782	15158	4475	3.387	52403	19807	2.646
EXPORT & MILITARY	2717	1258	2.160	277	109	2.541	2440	1149	2.124
TOTAL DIRECT	96544	36859	2.619	22871	6869	3.330	73673	29990	2.457
SPECIAL SALES	2871	1582	1.815	24	11	2.182	2847	1571	1.812
TOTAL	130654	50277	2.599	34530	11077	3.117	96124	39200	2.452
WEIGHTED AVERAGE COVER PRICE ($)	5.982								

NON-RACK-SIZED BOOKS 1983	GROSS SALES			CREDITED RETURNS			NET SALES		
	$	UNITS	$/UNIT	$	UNITS	$/UNIT	$	UNITS	$/UNIT
WHOLESALERS-U.S., CANADA									
NEW RELEASES	20058	7527	2.665						
REORDERS	11795	5794	2.036						
TOTAL WHOLESALERS	31853	13321	2.391	11152	4364	2.555	20701	8957	2.311
DIRECT ACCOUNTS									
JOBBERS	27383	11417	2.398	4342	1651	2.630	23041	9766	2.359
RETAILERS	57449	20920	2.746	9999	3423	2.921	47450	17497	2.712
EXPORT & MILITARY	3750	1400	2.679	643	222	2.896	3107	1178	2.638
TOTAL DIRECT	88583	33736	2.626	14984	5296	2.829	73599	28440	2.588
SPECIAL SALES	22578	8298	2.721	2730	1478	1.847	19848	6820	2.910
TOTAL	143014	55355	2.584	28866	11138	2.592	114148	44217	2.582
WEIGHTED AVERAGE COVER PRICE ($)	5.746								

TABLE C3a - OPERATING DATA OF MASS MARKET PAPERBACK PUBLISHERS (RACK-SIZED BOOKS ONLY)

THOUSANDS OF DOLLARS - AS REPORTED BY 5 PUBLISHERS

	1985			1984		
	$	PERCENT OF GROSS SALES		$	PERCENT OF GROSS SALES	
		%	RANGE		%	RANGE
REVENUES						
GROSS SALES	655973	100.0	100.0 TO 100.0	626276	100.0	100.0 TO 100.0
INCENTIVES	17778	2.7	0.8 TO 4.3	15530	2.5	1.4 TO 3.9
RETURNS & ALLOW. -						
CREDITED	244440	37.3	31.9 TO 44.0	231155	36.9	32.7 TO 52.3
ADD'L PROVISION	7738	1.2	0.6 TO 3.6	1515	0.2	-0.1 TO 0.7
ALLOWANCES	280	0.0	0.0 TO 0.2	-215	-0.0	-0.5 TO 0.1
TOTAL INCENTIVES & RETURNS	270236	41.2	35.3 TO 50.2	247985	39.6	35.5 TO 48.4
NET SALES	385737	58.3	49.8 TO 64.7	378291	60.4	51.6 TO 64.5
COST OF SALES						
COST OF GOODS MANUFACTURED & SOLD	116216	17.7	16.2 TO 18.9	111723	17.8	16.6 TO 18.8
ROYALTIES	95180	14.5	12.6 TO 16.7	96866	15.5	13.0 TO 17.1
FREIGHT & DUTY	23539	3.6	3.1 TO 5.2	23619	3.8	3.2 TO 6.4
TOTAL COST OF SALES	234935	35.8	33.6 TO 38.3	232208	37.1	35.2 TO 40.1
GROSS PROFIT	150802	23.0	16.2 TO 26.4	146083	23.3	16.4 TO 27.0
EXPENSES						
EDITORIAL	7872	1.2	0.6 TO 1.6	7643	1.2	0.5 TO 1.4
PRODUCTION	4108	0.6	0.4 TO 0.9	3914	0.6	0.3 TO 0.9
PROMOTION AND PUBLICITY	29882	4.6	3.3 TO 5.6	26351	4.2	3.0 TO 5.6
ALL OTHER EXPENSE OR (INCOME) NET	72907	11.1	6.4 TO 15.5	73622	11.8	7.0 TO 15.2
TOTAL EXPENSE	114769	17.5	11.3 TO 22.7	111530	17.8	11.5 TO 23.1
INCOME BEFORE TAX, INTEREST EXPENSE & MANAGEMENT FEES*	36033	5.5	3.7 TO 6.8	34553	5.5	3.9 TO 9.9

In addition to the tabular data reported in **Table C3a**, Gross Sales Units were estimated to be 370,990,000 in 1985 and 375,039,000 in 1984, while Returns Units were estimated at 137,856,000 in 1985 and 136,877,000 in 1984.

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

TABLE C3b - REVENUES AND COST OF SALES OF NON-RACK-SIZED BOOK PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 5 PUBLISHERS

	1985			1984		
	$	PERCENT OF GROSS SALES		$	PERCENT OF GROSS SALES	
		%	RANGE		%	RANGE
REVENUES						
GROSS SALES	93912	100.0	100.0 TO 100.0	87717	100.0	100.0 TO 100.0
INCENTIVES	879	0.9	0.6 TO 4.2	497	0.6	0.6 TO 2.0
RETURNS & ALLOW. -						
CREDITED	22250	23.7	18.2 TO 30.0	21518	24.5	21.5 TO 26.3
ADD'L PROVISION	1471	1.6	-5.4 TO 8.2	2187	2.5	-1.5 TO 8.7
ALLOWANCES	-6145	-6.5	-31.0 TO 6.5	-11	-0.0	-0.1 TO -0.0
TOTAL INCENTIVES & RETURNS	18455	19.7	12.3 TO 26.4	24190	27.6	21.9 TO 34.2
NET SALES	75457	80.3	73.6 TO 87.7	63527	72.4	65.8 TO 78.1
COST OF SALES						
COST OF GOODS MANU-FACTURED & SOLD	25509	27.2	19.9 TO 33.3	19320	22.0	19.0 TO 27.4
ROYALTIES	15453	16.5	14.2 TO 28.8	14211	16.2	12.0 TO 20.1
FREIGHT & DUTY	1617	1.7	0.7 TO 4.6	1996	2.3	1.4 TO 4.5
TOTAL COST OF SALES	42579	45.3	37.0 TO 49.5	35527	40.5	34.3 TO 43.1
GROSS PROFIT	32878	35.0	27.1 TO 63.3	28000	31.9	29.9 TO 39.6

In addition to the tabular data reported in **Table C3b**, Gross Sales Units were estimated to be 25,463,000 in 1985 and 26,018,000 in 1984, while Returns Units were estimated at 6,166,000 in 1985 and 6,563,000 in 1984.

TABLE C4 - RESERVE FOR RETURNS OF MASS MARKET PAPERBACK PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 5 PUBLISHERS

	RACK-SIZED BOOKS				NON-RACK-SIZED BOOKS			
	1985		1984		1985		1984	
	$	PCT OF GROSS SALES	$	PCT OF GROSS SALES	$	PCT OF GROSS SALES	$	PCT OF GROSS SALES
GROSS SALES	655973	100.0	626276	100.0	93912	100.0	87717	100.0
NET SALES	385737	58.8	378291	60.4	75457	80.3	63527	72.4
RESERVE FOR RETURNS	101085	15.4	92288	14.7	23129	24.6	23854	27.2

TABLE C5 - EDITORIAL, PRODUCTION, AND MARKETING EXPENSE (RACK-SIZED BOOKS ONLY)

THOUSANDS OF DOLLARS - AS REPORTED BY 5 PUBLISHERS
WITH TOTAL 1985 GROSS SALES OF $655,973,000

	1985			1984		
		PERCENT OF GROSS SALES			PERCENT OF GROSS SALES	
	$	%	MID-RANGE	$	%	MID-RANGE
EDITORIAL EXPENSE						
SALARIES	4469	0.7	0.5 TO 0.9	4284	0.7	0.5 TO 0.9
BENEFITS	1021	0.2	0.1 TO 0.2	897	0.1	0.1 TO 0.2
ALL OTHER	2382	0.4	0.2 TO 0.5	2462	0.4	0.2 TO 0.6
TOTAL EDITORIAL EXPENSE	7872	1.2	0.9 TO 1.4	7643	1.2	0.9 TO 1.4
PRODUCTION EXPENSE						
SALARIES	2489	0.4	0.3 TO 0.5	2486	0.4	0.3 TO 0.6
BENEFITS	565	0.1	0.1 TO 0.1	519	0.1	0.1 TO 0.1
ALL OTHER	1054	0.2	0.0 TO 0.3	909	0.1	0.0 TO 0.3
TOTAL PRODUCTION EXPENSE	4108	0.6	0.5 TO 0.8	3914	0.6	0.4 TO 0.8
PROMOTION & PUBLICITY						
SALARIES	2605	0.4	0.3 TO 0.6	2545	0.4	0.3 TO 0.6
BENEFITS	590	0.1	0.1 TO 0.1	534	0.1	0.1 TO 0.1
OUTSIDE MEDIA, POINT OF SALE & PUBLICITY	24040	3.7	2.9 TO 4.6	20521	3.3	2.7 TO 4.0
RACK EXPENSE	1540	0.2	0.2 TO 0.3	1633	0.3	0.2 TO 0.4
ALL OTHER	1107	0.2	0.2 TO 0.3	1118	0.2	0.1 TO 0.5
TOTAL PROMOTION AND PUBLICITY	29882	4.6	3.6 TO 5.4	26351	4.2	3.6 TO 5.1

TABLE C6 - EMPLOYEE DATA (ALL PRODUCTS)

AS REPORTED BY 5 MASS MARKET PAPERBACK PUBLISHERS
EMPLOYING 1,912 TOTAL STAFF IN 1985
(1985 GROSS SALES PER EMPLOYEE - $392,199)

	PERCENT OF TOTAL			
	1985		1984	
	%	RANGE	%	RANGE
EDITORIAL	9.5	7.6 TO 13.6	9.7	7.2 TO 16.7
PRODUCTION	3.8	3.1 TO 7.6	3.9	3.2 TO 7.7
ART	2.7	1.8 TO 3.7	2.5	1.8 TO 4.0
MARKETING	31.9	25.0 TO 47.4	33.3	28.9 TO 48.1
FULFILLMENT	36.0	26.1 TO 42.5	36.1	26.4 TO 49.5
GENERAL & ADMINISTRATIVE	16.2	6.1 TO 23.3	14.6	5.4 TO 27.0

TABLE C7 - GUARANTEES (ALL PRODUCTS)

THOUSANDS OF DOLLARS - AS REPORTED BY 4 PUBLISHERS

	1985		1984	
	$	PCT OF GROSS SALES	$	PCT OF GROSS SALES
GROSS SALES	573578	100.0	551239	100.0
BOOK RIGHTS (TOTAL)	117293	20.4	106556	19.3
PUBLISHED	16785	2.9	16486	3.0
UNPUBLISHED	100508	17.5	90070	16.3
GUARANTEES COMMITTED	69861	12.2	72571	13.2
NUMBER OF TITLES GUARANTEED	1605		1895	
CASH ADVANCES PAID	49671	8.7	59203	10.7
NUMBER OF TITLES PUBLISHED (TOTAL)	2006		2075	
RACK-SIZED	1762		1805	
NON-RACK-SIZED	244		270	

SECTION D - BOOK CLUBS AND MAIL ORDER PUBLICATIONS

Please refer to the GENERAL INSTRUCTIONS AND DEFINITIONS, and the specific instructions and definitions for this divisional survey in QUESTIONNAIRE FORM D (available on request from the AAP New York Office) to insure the correct interpretation of this report. Furthermore, the methodology used in gathering and reporting data, which is discussed in the INTRODUCTION should be reviewed for a full understanding of the tables and text.

BOOK CLUBS

Table D1 provides a sales summary and comparison between 1985 and 1984 based on data furnished by participating publishers.

79 book clubs reported 1985 net sales of $353.9 million to this Survey. Based on **Table S1**, estimated net sales for this segment of the industry were $686.7 million in 1985. Thus the reported sales represent some 51.5% of the total.

Table D2 shows Gross Sales by Category of Sales; **Table D3** gives a Geographical Distribution of Gross Sales, and **Table D3a** provides Domestic Membership Data for 1985.

TABLE D1 - SALES BY BOOK CLUBS

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 79 CLUBS

	GROSS SALES					
	1985		1984		PERCENT CHANGE	
	$	UNITS	$	UNITS	$	UNITS
15 GENERAL INTEREST BOOK CLUBS	327185	37347	313182	44065	4.5	-15.2
64 SPECIAL INTEREST AND PROFESSIONAL CLUBS	118625	18009	118073	20135	0.5	-10.8
TOTAL	445810	55356	431255	64250	3.4	-13.8

	RETURNS					
	1985		1984		PERCENT CHANGE	
	$	UNITS	$	UNITS	$	UNITS
15 GENERAL INTEREST BOOK CLUBS	69888	5590	68774	5904	1.6	-5.5
64 SPECIAL INTEREST AND PROFESSIONAL CLUBS	22069	2411	21855	2468	1.0	-2.3
TOTAL	91957	7991	90629	8372	1.5	-4.6

Continued on page D-2

TABLE D1 - SALES BY BOOK CLUBS

Continued from page D-1

	NET SALES					
	1985		1984		PERCENT CHANGE	
	$	UNITS	$	UNITS	$	UNITS
15 GENERAL INTEREST BOOK CLUBS	257297	31767	244408	38161	5.3	-16.8
64 SPECIAL INTEREST AND PROFESSIONAL CLUBS	96556	15598	96218	17717	0.4	-12.0
TOTAL	353853	47365	340626	55878	3.9	-15.2

	1985 PERCENT RETURNS TO GROSS			
	DOLLARS		UNITS	
	AVERAGE	MID-RANGE	AVERAGE	MID-RANGE
15 GENERAL INTEREST BOOK CLUBS	21.4		14.9	
64 SPECIAL INTEREST AND PROFESSIONAL CLUBS	18.6	1 .2 TO 27.9	13.4	12.1 TO 20.1
TOTAL	20.6	14.0 TO 27.9	14.4	13.0 TO 20.1

	1984 PERCENT RETURNS TO GROSS			
	DOLLARS		UNITS	
	AVERAGE	MID-RANGE	AVERAGE	MID-RANGE
15 GENERAL INTEREST BOOK CLUBS	22.0		13.4	
64 SPECIAL INTEREST AND PROFESSIONAL CLUBS	18.5	14.8 TO 27.7	12.2	10.8 TO 21.3
TOTAL	21.0	13.7 TO 28.3	13.0	12.5 TO 20.7

TABLE D2 - GROSS SALES BY BOOK CLUBS-BY CATEGORY OF SALE

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 45 CLUBS

	GROSS SALES		DOLLARS PER UNIT	
	$	UNITS	$-AVG	$-AVG RANGE
ALL SALES	439948	54190	8.12	4.76 TO 22.90
PRIME SELECTIONS	235694	26217	8.99	4.76 TO 38.85
OTHER SALES (TOTAL)	199705	27466	7.27	5.62 TO 19.29
ALTERNATES	137540	12578	10.93	10.01 TO 22.83
BACKLIST	62165	14888	4.18	3.87 TO 18.81
BONUSES	4549	507	8.97	8.88 TO 11.56

TABLE D3 - GEOGRAPHICAL DISTRIBUTION OF GROSS SALES BY BOOK CLUBS

THOUSANDS OF DOLLARS - AS REPORTED BY 79 CLUBS

	DOMESTIC		CANADA		OTHER FOREIGN	
	$	PCT OF SALES	$	PCT OF SALES	$	PCT OF SALES
15 GENERAL INTEREST CLBS	318036	97.2	9149	2.8	0	0.0
64 SPECIAL INTEREST AND PROFESSIONAL CLUBS	124192	98.0	2148	1.7	440	0.3
TOTAL	442228	97.4	11297	2.5	440	0.1

Table D3a - Domestic Membership Data appears on page D-4.

TABLE D4 - OPERATING DATA OF BOOK CLUBS

THOUSANDS OF DOLLARS - AS REPORTED BY 33 CLUBS

	1985			1984		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		%	MID-RANGE		%	MID-RANGE
GROSS SALES	423208	126.0	114.6 TO 132.9	401157	123.5	113.8 TO 128.2
REGULAR	376858	121.7		352868	118.2	
REDUCED PRICE	13431	4.3		15652	5.2	
UNSPECIFIED	32919			32637		
RETURNS & ALLOWANCES	87376	26.0	14.6 TO 32.9	76319	23.5	13.8 TO 28.2
NET SALES	335832	100.0	100.0 TO 100.0	324838	100.0	100.0 TO 100.0
COST OF SALES						
MANUFACTURING	37822	20.5		33773	19.7	
ROYALTIES	12065	6.5		10125	5.9	
UNSPECIFIED	41041			39293		
TOTAL COST OF SALES	90928	27.1	19.9 TO 29.4	83191	25.6	21.1 TO 30.0
GROSS MARGIN ON SALES	244904	72.9	70.6 TO 80.1	241647	74.4	70.0 TO 78.9
OTHER INCOME	3564	1.1	0.3 TO 1.6	2173	0.7	
OPERATING EXPENSE						
ADVERTISING & PROM.	122219	46.0		111747	44.1	
FULFILLMENT (NET OF RECOVERY)	11269	4.3		8600	3.4	
GENERAL & ADMIN.	41733	15.7		37523	14.8	
UNSPECIFIED	46327			44399		
TOTAL OPERATING EXPENSE	221548	66.0	60.2 TO 69.9	202269	62.3	56.1 TO 64.6
INCOME FROM OPERATIONS*	26920	8.0	5.0 TO 20.3	41551	12.8	9.9 TO 24.4

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

TABLE D3a - DOMESTIC MEMBERSHIP DATA

AS REPORTED BY 45 BOOK CLUBS

	(000)	PCT OF TOTAL
TOTAL MEMBERSHIP	5473	100.0
NEW MEMBERS (1985)	4355	79.6
MEMBERS TERMINATING (1985)	4156	75.9

TABLE D5 - ADVERTISING AND PROMOTION EXPENSE OF BOOK CLUBS

AS REPORTED BY 33 BOOK CLUBS
WITH TOTAL NET SALES OF $335,832,000

	($000)	PCT-NET SALES
NEW MEMBER OFFERS (NET OF RECOVERY (TOTAL)	91332	27.2
COST OF BOOKS	31817	9.5
SPACE ADVERTISING	27039	8.1
DIRECT MAIL	36655	10.9
OTHER	2476	0.7
LESS: INCOME FROM OFFERS	6656	2.0
PROMOTION TO MEMBERS	37407	11.1
ADVERTISING & PROMOTION SALARIES	6203	1.8
TOTAL ADVERTISING AND PROMOTION EXPENSE	134942	40.2

BOOK CLUBS - OPERATING DATA

Table D6 - Income and Cost of New Member Acquisition; **Table D6a** - Membership Data, and **Table D7** - Fulfillment Expense of Book Clubs have been suppressed this year because insufficient data were reported to this survey.

MAIL ORDER PUBLICATIONS

Table D8 provides basic sales information for this segment of the book publishing industry. 1985 net sales of $189.9 million were reported to this Survey, and the industry segment is estimated (**Table S1**) at $603.7 million. Thus some 31.5% is represented in this table.

Table D8a shows Net Educational, Trade, and Specialty Sales for three of these publishers of mail order publications.

TABLE D8 - CONSUMER MAIL ORDER SALES OF MAIL ORDER PUBLICATIONS

THOUSANDS OF DOLLARS - AS REPORTED BY 6 PUBLISHERS

	1985		1984		PCT CHG 85/84		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
GROSS SALES	229071	22222	211417	19340	8.4	14.9				
RETURNS	39135	4174	31922	3024	22.6	38.0				
NET SALES	189936	18048	179495	16316	5.8	10.6				
PERCENT RETURNS TO GROSS	17.1	18.8	15.1	15.6						

Table D8a - Net Educational, Trade, and Specialty Sales of Mail Order Publications appears on page D-6.

TABLE D9 - MAIL ORDER PUBLICATIONS OPERATING DATA

THOUSANDS OF DOLLARS - AS REPORTED BY 3 PUBLISHERS

	1985			1984		
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES	
		%	MID-RANGE		%	MID-RANGE
GROSS SALES	203828	123.5	107.6 TO 127.4	173311	118.9	106.7 TO 122.0
RETURNS AND ALLOWANCES	38762	23.5	7.6 TO 27.4	27518	18.9	6.7 TO 22.0
NET SALES	165066	100.0	100.0 TO 100.0	145793	100.0	100.0 TO 100.0
COST OF SALES	33927	20.6	-14.8 TO 24.9	31194	21.4	18.8 TO 90.0
GROSS MARGIN ON SALES	131139	79.3	75.1 TO 114.8	114599	78.6	10.0 TO 81.2
OTHER INCOME	910	0.6	-1.2 TO 24.9	-1872	-1.3	-1.7 TO 0.2
OPERATING EXPENSE						
EDITORIAL	15667	9.5	13.6 TO 13.6	13749	9.4	13.3 TO 13.3
PRODUCTION	16134	9.8	-8.8 TO 53.3	16534	11.3	-9.7 TO 50.1
MARKETING	54352	32.9	2.0 TO 47.1	48265	33.1	5.1 TO 46.7
FULFILLMENT (NET)	10696	6.5	1.7 TO 9.3	9853	6.8	4.0 TO 9.5
GENERAL & ADMIN.	17738	10.7	15.0 TO 134.5	15147	10.4	14.2 TO 51.9
TOTAL OPERATING EXPENSE	114587	69.4	53.3 TO 138.1	103548	71.0	50.1 TO 79.6
INCOME FROM OPERATIONS*	17462	10.6	1.7 TO 19.0	9179	6.3	-50.8 TO 20.2

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

TABLE D8a - NET EDUCATIONAL, TRADE, AND SPECIALTY SALES OF MAIL ORDER PUBLICATIONS

BY 3 PUBLISHERS OF MAIL ORDER PUBLICATIONS

	$	PCT OF TOTAL
DOMESTIC	4239	48.6
EDUCATIONAL	3395	38.9
TRADE	844	9.7
SPECIALTY	0	0.0
OTHER	0	0.0
FOREIGN	4488	51.4
TOTAL	8727	100.0

TABLE D11 - RECEIVABLES AND BAD DEBTS

OF BOOK CLUBS AND PUBLISHERS OF MAIL ORDER PUBLICATIONS

	ALL REPLIES	33 BOOK CLUBS	3 MAIL ORDER PUBL'S
NET SALES ($000)	500898	335832	165066
ACC'TS RECEIVABLE (AT YEAR END - $000)	130993	87639	43354
PCT. OF NET SALES	26.2	26.1	26.3
PCT. CURRENT	49.5		
PCT. 1-30 DAYS	20.4		
PCT. 31-60 DAYS	10.6		
PCT. 61 DAYS & OVER	19.5		
BAD DEBT RESERVE ($000)	37947	22364	15583
PCT. OF NET SALES	7.6	6.7	9.4
PCT. OF RECEIVABLES	29.0	25.5	35.9
BAD DEBT LOSSES ($000)	31153	17029	14124
PCT. OF NET SALES	6.2	5.1	8.6
PCT. OF RECEIVABLES	23.8	19.4	32.6
AVERAGE COLLECTION PERIOD (DAYS)	107	91	138

MAIL ORDER PUBLICATIONS - OPERATING DATA

Table D10 - Promotion and Advertising Expense; **Table D12** - Employee Data; and **Table D13** - Fulfillment Expense of Mail Order Publishers have had to be suppressed this year to prevent data disclosure.

SECTION T - ESTIMATED ELHI AND COLLEGE INDUSTRY SALES

TABLE T1 - ESTIMATED INDUSTRY SALES OF TEXTBOOKS, EDUCATIONAL MATERIALS & STANDARDIZED TESTS

MILLIONS OF DOLLARS

	1972			1977		
	$	INDEX	PCT OF TOTAL SALES	$	INDEX	PCT OF TOTAL SALES
ELHI TEXTBOOKS (TOTAL)	498	100	49.0	756	152	47.2
ELEMENTARY	318	100	31.3	480	151	30.0
HIGH SCHOOL	180	100	17.7	276	153	17.2
COLLEGE TEXTBOOKS	375	100	36.9	650	173	40.6
AV AND OTHER MEDIA (TTL)	116	100	11.4	151	130	9.4
ELHI	101	100	9.9	131	130	8.2
COLLEGE	9	100	.9	12	133	.7
OTHER	6	100	.6	8	133	.5
STANDARDIZED TESTS	27	100	2.7	45	167	2.8
TOTAL	1016	100	100.0	1602	158	100.0

	1982			1984			1985		
	$	INDEX	PCT OF TOTAL SALES	$	INDEX	PCT OF TOTAL SALES	$	INDEX	PCT OF TOTAL SALES
ELHI TEXTBOOKS (TOTAL)	1052	211	43.7	1311	263	46.0	1481	297	47.8
ELEMENTARY	667	209	27.7	811	255	28.4	926	291	29.9
HIGH SCHOOL	385	214	16.0	500	278	17.6	555	308	17.9
COLLEGE TEXTBOOKS	1142	304	47.3	1279	341	44.9	1325	353	42.8
AV AND OTHER MEDIA (TTL)	148	127	6.1	175	151	6.1	200	172	6.4
ELHI	130	129	5.4	152	150	5.3	174	172	5.6
COLLEGE	8	89	.3	9	100	.3	10	108	.3
OTHER	10	166	.4	14	233	.5	16	271	.5
STANDARDIZED TESTS	70	257	2.9	86	319	3.0	92	348	3.0
TOTAL	2412	237	100.0	2851	281	100.0	3098	305	100.0

With regard to the College Textbook estimate, the reader is referred to **Table G1** and the accompanying discussion.

TEXTBOOK SALES

The textbook-and-materials report is divided into three parts: this brief introductory section which provides industry sales estimates for both school and college publishing; followed by separate, detailed sales and operating data reports for school publishing (**Section F**, beginning on page F-3), and for college publishing (**Section G**, beginning on page G-1).

Total estimated industry textbook and materials sales are shown in **Table T1**. The estimates are based on reports from participating publishers and

(Text continued on page F-2)

TABLE T2 - ESTIMATED DOMESTIC INDUSTRY SALES OF TEXTBOOKS RELATED TO STUDENT ENROLLMENT

THOUSANDS OF STUDENTS AND DOLLARS

	ELEMENTARY					HIGH SCHOOL				
	ENROLLMENT			SALES ($)		ENROLLMENT			SALES ($)	
	PUBLIC	OTHER	TOTAL	TOTAL	PER CAPITA	PUBLIC	OTHER	TOTAL	TOTAL	PER CAPITA
1972	31845	3800	35645	301813	8.47	13909	1300	15209	170320	11.20
1977	29431	3600	33031	458122	13.87	14300	1400	15700	263762	16.80
1978	28208	3600	31808	511238	16.07	14480	1400	15880	282811	17.81
1979	28021	3700	31721	559782	17.64	14587	1400	15987	328759	20.56
1980	27884	3700	31584	564579	17.88	13695	1400	15095	327962	21.73
1981	27665	3629	31294	606682	19.39	13319	1400	14719	342560	23.27
1982	27116	3573	31692	642994	20.29	13054	1400	14454	358776	24.82
1983	27143	3501	30644	719473	23.48	12501	1400	13901	377074	27.13
1984	27010	3580	30590	765054	25.01	12480	1400	13880	470895	33.93
1985	26951	3600	30551	870784	28.50	12215	1400	13615	516988	37.97

	ELHI					COLLEGE				
	ENROLLMENT			SALES ($)		ENROLLMENT		SALES ($)	PER CAPITA SALES ($)	
	PUBLIC	OTHER	TOTAL	TOTAL	PER CAPITA	FTE	TOTAL		FTE	TOTAL
1972	45754	5100	50854	472133	9.28	7255	9215	337003	46.45	36.57
1977	43731	5000	48731	721884	14.81	8397	11268	578433	68.88	51.33
1978	42688	5000	47688	794049	17.65	8303	11260	656580	79.07	58.31
1979	42608	5100	47708	888541	18.62	8486	11508	739008	87.08	64.22
1980	41579	5100	46679	892541	19.12	8489	11570	854292	100.64	73.84
1981	40984	5029	46013	949242	20.63	8916	12097	964343	108.16	79.72
1982	40170	4963	45133	1001771	22.20	9112	12367	1031267	113.18	83.39
1983	39643	4901	44544	1096547	24.62	9032	12426	1122564	124.29	90.34
1984	39490	4980	44470	1235949	27.79	8842	12351	1163814	131.62	94.23
1985	39166	5000	44166	1387772	31.42	8620	12174	1205711	139.87	99.04

With regard to the College Textbook estimate, the reader is referred to **Table G1** and the accompanying discussion.

(Text continued from page F-1)

on projections of the Census of Manufactures conducted by the U.S. Department of Commerce (See **Table S1**).

Table T2 relates domestic textbook sales (i.e. in the fifty states and the District of Columbia) to enrollment data compiled for these areas by the National Center for Education Statistics and by the National Education Association. The enrollment figures for public elementary (K-8) and secondary (9-12) schools are actual for the most part, while those for private schools are estimated. The college figures are largely actual. All sales are estimated.

College enrollment data and per capita sales are shown both for full-time equivalent (FTE) students, as well as for all students enrolled in the fifty United States and the District of Columbia. Total college enrollments include resident and extension students in vocational and technical programs, and students in U.S. Service Schools. In the FTE data, part-time enrollments have been converted to full-time equivalency.

For state-by-state enrollment and sales data consult **Tables F5b and F6** for Elhi, and **Tables G7a and G7b** for College. Also see the text with those tables for details regarding the enrollment figures used and the assumptions employed in the development of estimated per capita sales.

SECTION F - SCHOOL (ELHI) PUBLISHERS AND DIVISIONS

Please refer to the GENERAL INSTRUCTIONS AND DEFINITIONS, and the specific instructions and definitions for this divisional survey in QUESTIONNAIRE FORM F (available on request from the AAP New York Office) to insure the correct interpretation of this report. Furthermore, the methodology used in gathering and reporting data, which is discussed in the INTRODUCTION should be reviewed for a full understanding of the tables and text.

Throughout this Report "Elementary" refers to Grades K through 8, and "High School" refers to Grades 9 through 12.

SALES DATA

Estimated industry sales of textbooks and materials, both Elhi and College, will be found in **Tables T1 and T3** on pages F-1 and F-2. All other Elhi reports are in this section. College statistics are in **Section G** beginning on page G-1.

Except for the information presented in **Tables T1 and T3,** and the estimated portions of **Tables F5b and F6, all data included in the tables are based on publishers actual reports and are not projected to industry totals.**

17 Elhi school textbook and materials publishers reported total 1985 sales of $803.6 million to this Survey. Of these sales, $561.4 million were in elementary and $242.2 million were in high school textbooks and materials. As the Elhi publishing industry enjoys total estimated book sales of $1481.1 million and audiovisual and related materials sales of $173.9 million for a combined estimated sales total of $1655.0 million (figures from **Table S1**), the reporting group **(Tables F1 and F2)** appears to represent some 48.6% of this industry segment.

TABLE F1 - SALES OF ELEMENTARY TEXTBOOKS AND MATERIALS

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 15 PUBLISHERS

	1985		1984		PERCENT CHANGE		1985 DOLLARS PER UNIT		YOUR DATA
	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS	$-AVG	AVG DOLLAR RNGE	
BOOKS (TOTAL)	531816	94809	459792	91479	15.7	3.6	5.61	3.10 TO 8.67	
TEXTBOOKS-HARDBOUND	203083	23030	190468	24494	6.6	-6.0	8.82	6.36 TO 11.26	
TEXTBOOKS-PAPERBOUND	64631	15057	55954	14404	15.5	4.5	4.29	3.23 TO 5.04	
TEACHERS EDITIONS	10836	2418	8991	1729	21.1	39.8	4.50	1.83 TO 12.54	
WORKBOOKS	124746	37932	110628	38089	12.8	-0.4	3.29	2.26 TO 5.02	
OBJECTIVE TESTS	17489	1852	16820	2079	4.0	-10.9	9.44	1.88 TO 24.93	
DUPLICATING MASTERS	12401	702	12491	943	-0.7	9.2	17.67	10.04 TO 34.25	
TEACHING AIDS	13450	2265	12293	1351	9.4	67.7	5.94	2.81 TO 45.08	
UNSPECIFIED	85130	11553	52147	8690					
AUDIOVISUAL & OTHER MEDIA	18832	558	16059	939	17.3	-40.6	33.75	8.39 TO 121.08	
MULTIMEDIA KITS	10754	447	12664	789	-15.1	-43.3	24.06	13.67 TO 279.00	
TOTAL BOOKS & MATERIALS	561402	95814	488515	93207	14.9	2.8	5.86	3.11 TO 9.55	

TABLE F2 - SALES OF HIGH SCHOOL TEXTBOOKS AND MATERIALS

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 15 PUBLISHERS

	1985		1984		PERCENT CHANGE		1985 DOLLARS PER UNIT			YOUR DATA
	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS	$-AVG.	AVG DOLLAR RNGE		
BOOKS (TOTAL)	232985	26137	206780	25219	12.7	3.6	8.91	3.29 TO	20.00	
TEXTBOOKS-HARDBOUND	173562	13752	151835	13207	14.3	4.1	12.62	3.26 TO	20.00	
TEXTBOOKS-PAPERBOUND	10547	1764	9994	1710	5.5	3.2	5.98	3.35 TO	12.84	
TEACHERS EDITIONS	2407	369	2716	359	-11.4	2.8	6.52	1.95 TO	12.60	
WORKBOOKS	38823	8464	35992	8550	7.9	-1.0	4.59	2.32 TO	6.36	
OBJECTIVE TESTS	1202	840	1457	906	-17.5	-7.3	14.31	0.73 TO	24.00	
DUPLICATING MASTERS	2175	102	1993	94	9.1	8.5	21.32	7.00 TO	44.50	
TEACHING AIDS	619	226	511	195	21.1	15.9	2.74	0.36 TO	22.42	
UNSPECIFIED	3650	620	2282	198						
AUDIOVISUAL AND OTHER MEDIA	8498	220	8805	199	-3.5	10.6	38.63	26.55 TO	123.00	
MULTIMEDIA KITS	697	14	1240	16	-43.8	-12.5	49.79	6.17 TO	126.33	
TOTAL BOOKS & MATERIALS	242180	26378	216825	25434	11.7	3.7	9.18	3.29 TO	20.00	

TABLE F3 - SALES OF ELEMENTARY TEXTBOOKS AND MATERIALS-BY SUBJECT CATEGORIES

THOUSANDS OF DOLLARS - AS REPORTED BY 18 PUBLISHERS

	1985		1984		
	ALL SALES		ALL SALES		YOUR DATA
	TOTAL	PCT OF TOTAL	TOTAL	PCT OF TOTAL	
LANGUAGE ARTS					
READING	263429	34.4	245895	37.4	
LITERATURE	6743	0.9	5832	0.9	
ENGLISH	80715	10.5	70345	10.7	
SPELLING	43388	5.7	33776	5.1	
HANDWRITING	1855	0.2	1423	0.2	
UNSPECIFIED	4083		4167		
TOTAL LANGUAGE ARTS	400213	51.7	361438	54.4	
SCIENCE	88817	11.5	54143	8.1	
HEALTH	8328	1.1	6137	0.9	
SOCIAL STUDIES	61667	8.0	65862	9.9	
BASAL PROGRAMS K-6 K-6 OR K-8	38680	6.1	42111	7.7	
OTHER	11872	1.9	11941	2.2	
UNSPECIFIED	11115		11810		
MATHEMATICS	147823	19.1	123619	18.6	
MUSIC	22545	2.9	13237	2.0	
ART	0	0.0	0	0.0	
FOREIGN LANGUAGES	1093	0.1	52	0.0	
DICTIONARIES	6966	0.9	5778	0.9	
OTHER	37013	4.8	34548	5.2	
TOTAL	774465	100.0	664814	100.0	

TABLE F4 - SALES OF HIGH SCHOOL TEXTBOOKS AND MATERIALS-BY SUBJECT CATEGORIES

THOUSANDS OF DOLLARS - AS REPORTED BY 16 PUBLISHERS

	1985		1984			
	ALL SALES		ALL SALES		YOUR DATA	
	TOTAL	PCT OF TOTAL	TOTAL	PCT OF TOTAL		
LITERATURE	24020	8.2	17855	7.3		
ENGLISH	30835	10.5	22646	9.2		
SCIENCE (TOTAL)	63116	21.4	44505	18.2		
BIOLOGY	16305	6.2	8586	3.8		
LIFE SCIENCE	26	0.0	232	0.1		
EARTH SCIENCE	2501	0.9	2116	0.9		
PHYSICAL SCIENCE	9725	3.7	9889	4.4		
ALL OTHER	28170	10.6	19848	8.9		
SCI. EQUIPMENT/KITS	7	0.0	6	0.0		
UNSPECIFIED	6382		3828			
SOCIAL STUDIES (TOTAL)	45173	15.3	37616	15.3		
AMERICAN HISTORY	9147	4.8	7084	4.4		
WORLD HISTORY	8323	4.3	6290	3.9		
GEOGRAPHY	2420	1.3	2936	1.8		
OTHER	9600	5.0	8431	5.2		
UNSPECIFIED	15683		12875			
MATHEMATICS (TOTAL)	43674	14.8	48586	19.8		
ALGEBRA	16556	7.6	19423	10.9		
GEOMETRY	6460	3.0	6393	3.6		
ADVANCED MATH	2457	1.1	2544	1.4		
ALL OTHER	6913	3.2	6823	3.8		
UNSPECIFIED	11288		13403			
MUSIC	3	0.0	0	0.0		
ART	0	0.0	0	0.0		
FOREIGN LANGUAGES (TOT)	40199	13.6	30109	12.3		
SPANISH	15511	8.2	11364	6.9		
FRENCH	7805	4.1	6700	4.1		
OTHER	2381	1.3	2254	1.4		
UNSPECIFIED	14502		9791			
VOCATIONAL (TOTAL)	29127	9.9	29029	11.8		
BUSINESS EDUC. (TOT)	22747	7.7	23408	9.5		
TYPEWRITING	5255	1.8	5434	2.2		
SHORTHAND	3703	1.3	4040	1.7		
ACCOUNTING	3181	1.1	2707	1.1		
ALL OTHER	10543	3.6	11189	4.6		
UNSPECIFIED	65		38			
INDUSTRIAL ARTS	1211	0.4	1567	0.6		
HOME ECONOMICS	4456	1.5	3477	1.4		
OTHER	713	0.2	577	0.2		
DRIVER EDUCATION	1340	0.5	1388	0.6		
HEALTH	1527	0.5	1298	0.5		
DICTIONARIES	1866	0.6	2078	0.8		
OTHER	13621	4.6	10031	4.1		
TOTAL	294501	100.0	245141	100.0		

TABLE F5a - SALES OF ELHI TEXTBOOKS AND MATERIALS-BY GEOGRAPHICAL LOCATION

ACTUAL SALES - AS REPORTED BY 15 PUBLISHERS

	ACTUAL SALES OF TEXTBOOKS AND MATERIALS								
	ELHI			ELEMENTARY			HIGH SCHOOL		
	1985	1984	PCT-CHG	1985	1984	PCT-CHG	1985	1984	PCT-CHG
ALABAMA	11661	10194	14.4	5123	5585	-8.3	4047	3835	5.5
ALASKA	2079	2173	-4.3	1355	1406	-3.6	594	577	2.9
ARIZONA	13139	11708	12.2	6889	6079	13.3	4256	3840	10.8
ARKANSAS	8925	8139	9.7	4270	4940	-13.6	3537	2755	28.4
CALIFORNIA	82633	93964	-12.1	44846	52124	-14.0	26475	28863	-8.3
COLORADO	11683	9229	26.6	6789	5597	21.3	3388	2852	18.8
CONNECTICUT	11166	9036	23.6	6132	4834	26.9	3732	2919	27.9
DELAWARE	2006	1798	11.6	956	987	-3.1	661	552	19.7
DIST OF COLUMBIA	2302	1613	42.7	1100	743	48.0	1038	686	51.3
FLORIDA	27309	27283	0.1	14910	14400	3.5	9503	9874	-3.8
GEORGIA	21224	19339	9.7	10854	9804	10.7	6184	6440	-4.0
HAWAII	2973	2956	0.6	1606	1571	2.2	982	1004	-2.2
IDAHO	3568	3600	-0.9	2040	1999	2.1	1294	1363	-5.1
ILLINOIS	48182	42938	12.2	25573	24724	3.4	14826	11557	28.3
INDIANA	20097	21891	-8.2	9440	12112	-22.1	6005	7124	-15.7
IOWA	9986	9648	3.5	5793	5776	0.3	2917	2878	1.4
KANSAS	10133	9585	5.7	5941	5566	6.7	2804	2813	-0.3
KENTUCKY	12043	10745	12.1	6291	6496	-3.2	3790	3520	7.7
LOUISIANA	14319	13535	5.8	8004	8135	-1.6	4845	4160	16.5
MAINE	4280	4054	5.6	2437	2328	4.7	1381	1324	4.3
MARYLAND	12229	10797	13.3	6149	5297	16.1	4485	4297	4.4
MASSACHUSETTS	18789	16378	14.7	10142	8315	22.0	6338	6177	2.6
MICHIGAN	37107	32148	15.4	20374	17766	14.7	11083	10662	3.9
MINNESOTA	16434	14853	10.6	10156	9290	9.3	4459	4198	6.2
MISSISSIPPI	9040	6912	30.8	4997	3841	30.1	2358	2590	-9.0
MISSOURI	22573	22303	1.2	12974	13258	-2.1	7093	6755	5.0
MONTANA	3927	3501	12.2	2241	2048	9.4	1192	1051	13.4
NEBRASKA	5707	5710	-0.1	3353	3270	2.5	1718	1815	-5.3
NEVADA	3520	2396	46.9	1863	1357	37.3	1353	975	54.6
NEW HAMPSHIRE	3032	2852	6.3	1628	1566	4.0	1081	1033	4.6
NEW JERSEY	33384	29438	13.4	20321	17600	15.5	9424	8587	9.7
NEW MEXICO	6434	4222	52.4	4698	1770	165.4	1393	1858	-25.0
NEW YORK	56398	52137	8.2	33679	31004	8.6	15903	15256	4.2
NORTH CAROLINA	26576	9131	191.1	15741	4232	272.0	7715	4380	76.1
NORTH DAKOTA	3432	3206	7.0	2193	1941	12.5	886	907	-2.3
OHIO	43760	39263	11.5	22285	19793	12.6	12910	12421	3.9
OKLAHOMA	10841	9759	11.1	4855	4585	5.9	3982	3586	11.0
OREGON	16526	14257	15.9	8367	7829	6.9	5673	5450	4.1
PENNSYLVANIA	38553	33313	15.7	21457	18488	16.1	11580	10516	10.1
RHODE ISLAND	2830	2819	0.4	1725	1650	4.5	848	935	1.6
SOUTH CAROLINA	13044	13119	-0.6	8325	7978	4.3	3896	4165	-6.5
SOUTH DAKOTA	3685	3403	8.3	2320	2106	10.2	398	967	-7.1
TENNESSEE	15817	13114	20.6	6681	5291	26.3	6223	4761	30.7
TEXAS	58019	43293	34.0	23812	21460	11.0	16856	17040	-1.1
UTAH	7072	6072	16.5	3946	3245	21.6	2362	2204	7.2
VERMONT	1700	1512	12.4	1039	887	17.1	549	519	5.8
VIRGINIA	23460	15291	53.4	9538	8433	13.1	7788	5379	44.8
WASHINGTON	7878	8756	-10.0	4361	4899	-11.0	2510	2726	-7.9

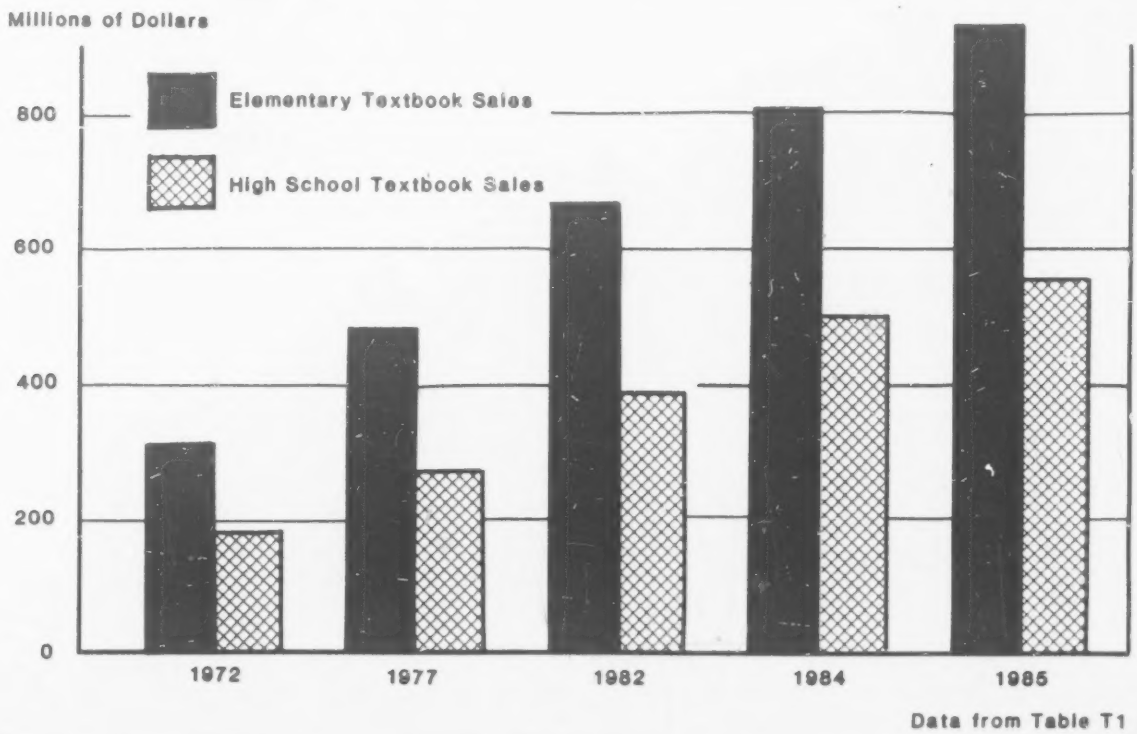
Continued on page F-7

TABLE F5a - SALES OF ELHI TEXTBOOKS AND MATERIALS-BY GEOGRAPHICAL LOCATION

Continued from page F-6

	ACTUAL SALES OF TEXTBOOKS AND MATERIALS								
	ELHI			ELEMENTARY			HIGH SCHOOL		
	1985	1984	PCT-CHG	1985	1984	PCT-CHG	1985	1984	PCT-CHG
WEST VIRGINIA	8400	6966	20.6	4144	3747	10.6	2124	2327	-8.7
WISCONSIN	18330	15382	19.2	10057	8284	21.4	5408	4884	10.7
WYOMING	2992	2944	1.6	1892	1914	-1.1	799	748	6.8
TOTAL DOMESTIC U.S.	851195	758675	12.2	455652	418350	8.9	263144	247904	6.1
P.R. & OTHER U.S. POSS.	12321	7798	58.0	4759	1683	182.8	3793	1904	99.2
CANADA	5046	4176	20.8	2426	1942	24.9	2329	1959	18.9
EUROPE	3476	2408	44.4	1451	868	67.2	1284	817	57.2
ALL OTHER	13917	15075	-7.7	9394	10853	-13.4	3262	3251	0.3
TOTAL FOREIGN	22439	21659	3.6	13271	13663	-2.9	6875	6027	14.1
TOTAL OUTSIDE U.S.	34760	29457	18.0	18030	15346	17.5	10668	7931	34.5
ALL SALES	885956	788132	12.4	473682	433696	9.2	273812	255835	7.0

FIGURE F1 - ESTIMATED ELHI TEXTBOOK NET SALES 1972, 1977, 1982, 1984-85



Data from Table T1

TABLE F5b - ESTIMATED INDUSTRY SALES OF ELHI TEXTBOOKS-BY GEOGRAPHICAL LOCATION

ESTIMATED INDUSTRY SALES (TEXTBOOKS ONLY) - THOUSANDS OF DOLLARS

	ELEMENTARY		HIGH SCHOOL		ELHI				
	1985	1984	1985	1984	1985		1984		1966-68 AVERAGE (BASE)
					$	INDEX	$	INDEX	
ALABAMA	6513	6155	8744	7182	15257	321	13337	281	4751
ALASKA	3002	2944	1570	1456	4572	771	4400	742	593
ARIZONA	14249	12190	9101	7961	23350	635	20151	548	3675
ARKANSAS	8158	8356	4136	2851	12294	386	11207	352	3182
CALIFORNIA	94838	95619	49453	52273	134291	560	147892	616	23989
COLORADO	13047	10425	7661	6251	20708	494	16676	397	4196
CONNECTICUT	13312	10168	7484	5672	20796	315	15840	240	6610
DELAWARE	1733	1734	1592	1289	3325	280	3023	255	1187
DISTRICT OF COLUMBIA	4084	2675	2150	1421	6234	319	4096	209	1956
FLORIDA	34083	31919	19762	19912	53845	497	51831	478	10837
GEORGIA	17920	15691	14190	14327	32110	381	30018	356	8428
HAWAII	3977	3772	2217	2197	6194	388	5969	374	1595
IDAHO	3228	3065	1352	1380	4580	274	4445	266	1672
ILLINOIS	46002	43123	34498	26062	80500	287	69185	247	28033
INDIANA	15837	17002	10210	10129	26047	239	27131	248	10919
IOWA	11282	10902	5762	5508	17044	219	16410	211	7769
KANSAS	11320	10283	5311	5163	16631	308	15446	286	5393
KENTUCKY	15974	14612	5180	4259	21154	319	18871	285	6631
LOUISIANA	12335	12150	9000	7488	21335	238	19638	219	8971
MAINE	4442	4113	2343	2177	6785	290	6290	269	2342
MARYLAND	11637	9716	9715	9020	21352	289	18736	254	7386
MASSACHUSETTS	18750	14897	11102	10488	29852	254	25385	216	11738
MICHIGAN	34034	28761	23105	21554	57139	280	50315	247	20373
MINNESOTA	18513	16417	8550	7803	27063	284	24220	254	9535
MISSISSIPPI	9944	6761	4057	3943	14001	276	10704	211	5072
MISSOURI	21679	21464	12448	11491	34127	299	32955	288	11427
MONTANA	3873	3431	2373	2028	6246	341	5459	298	1833
NEBRASKA	6023	5696	3401	3482	9424	265	9178	258	3558
NEVADA	3938	2780	2429	1571	6367	599	4351	409	1063
NEW HAMPSHIRE	2805	2614	2589	2399	5394	341	5013	317	1580
NEW JERSEY	36522	30649	18071	15967	54593	362	46616	309	15083
NEW MEXICO	11885	4717	2852	3685	14737	529	8402	302	2785
NEW YORK	64178	57281	38269	35599	102447	245	92880	222	41866
NORTH CAROLINA	30054	12979	11635	10077	41689	426	23056	235	9795
NORTH DAKOTA	3798	3272	1751	1737	5549	321	5009	290	1726
OHIO	40047	34473	20893	19491	60940	311	53964	275	19597
OKLAHOMA	9150	8375	8758	7648	17908	333	16023	298	5370
OREGON	11533	10579	6758	6328	18291	491	16907	454	3726
PENNSYLVANIA	39834	33257	22696	19981	62530	265	53238	226	23556
RHODE ISLAND	3456	3206	2029	1936	5485	274	5142	257	2001
SOUTH CAROLINA	18247	16958	4647	4817	22894	334	21775	318	6856
SOUTH DAKOTA	4302	3784	2177	2271	6479	369	6055	345	1756
TENNESSEE	9845	7556	14046	10747	23891	325	18303	249	7356
TEXAS	60025	46950	39793	34932	99818	416	81882	341	24011
UTAH	6772	5398	3081	2785	9853	388	8183	322	2542
VERMONT	1770	1465	1020	935	2790	270	2400	232	1033
VIRGINIA	17015	14582	13999	9668	31014	332	24250	259	9354
WASHINGTON	14804	15755	5681	5929	20485	337	21684	357	6078

Continued on page F-9

TABLE F5b - ESTIMATED INDUSTRY SALES OF ELHI TEXTBOOKS-BY GEOGRAPHICAL LOCATION

Continued from page F-8

	ELEMENTARY		HIGH SCHOOL		ELHI				
	1985	1984	1985	1984	1985		1984		1966-68 AVERAGE (BASE)
					$	INDEX	$	INDEX	
WEST VIRGINIA	6900	5546	5440	5776	12340	329	11322	302	3753
WISCONSIN	21129	15989	10174	10276	31303	307	26265	257	10202
WYOMING	2986	2848	1733	1573	4719	604	4421	566	781
TOTAL DOMESTIC U.S.	870784	765054	516988	470895	1387772	334	1235949	297	415521
P.R. & OTHER U.S. POSS.	6341	3890	3896	1956	10237	474	5846	271	2161
CANADA	28107	22553	24963	20350	53070	592	42903	479	8965
EUROPE	6745	4528	5005	3184	11750	769	7712	505	1528
ALL OTHER	14089	14795	4198	4057	18287	254	18852	262	7192
TOTAL FOREIGN	48941	41876	34166	27591	83107	470	69467	393	17685
TOTAL OUTSIDE U.S.	55282	45766	38062	29547	93344	470	75313	379	19846
ALL SALES	926066	810820	555050	500442	1481116	340	1311262	301	435367

TABLE F6 - GEOGRAPHICAL ANALYSIS OF ESTIMATED INDUSTRY SALES OF ELHI TEXTBOOKS

THOUSANDS OF STUDENTS AND DOLLARS

	EST. INDUSTRY SALES ($)		PERCENT OF TOTAL SALES		ENROLLMENT		SALES PER CAPITA ($)		RANK IN PER CAPITA SALES	
	1985	1984	1985	1984	1985	1984	1985	1984	1985	1984
ALABAMA	15257	13337	1.10	1.08	791	795	19.29	16.78	51	51
ALASKA	4572	4400	.33	.36	98	96	46.65	45.83	4	1
ARIZONA	23350	20151	1.68	1.63	609	595	38.34	33.87	11	10
ARKANSAS	12294	11207	.89	.91	443	447	27.75	25.07	42	40
CALIFORNIA	134291	147892	9.68	11.97	4767	4708	28.17	31.41	41	14
COLORADO	20708	16676	1.49	1.35	582	582	35.58	28.65	18	24
CONNECTICUT	20796	15840	1.50	1.28	553	566	37.61	27.99	14	27
DELAWARE	3325	3023	.24	.24	115	115	28.91	26.29	38	33
DISTRICT OF COLUMBIA	6234	4096	.45	.33	108	109	57.72	37.58	1	5
FLORIDA	53845	51831	3.88	4.19	1772	1745	30.39	29.70	29	21
GEORGIA	32110	30018	2.31	2.43	1130	1138	28.42	26.38	39	32
HAWAII	6194	5969	.45	.48	202	203	30.66	29.40	27	22
IDAHO	4580	4445	.33	.36	213	214	21.50	20.77	50	47
ILLINOIS	80500	69185	5.80	5.60	2130	2212	37.79	31.28	12	15
INDIANA	26047	27131	1.88	2.20	1061	1078	24.55	25.17	47	38
IOWA	17044	16410	1.23	1.33	535	546	31.86	30.05	24	19
KANSAS	16631	15446	1.20	1.25	442	441	37.63	35.02	13	8
KENTUCKY	21154	18871	1.52	1.53	712	719	29.71	26.25	35	34
LOUISIANA	21335	19638	1.54	1.59	936	942	22.79	20.85	49	46
MAINE	6785	6290	.49	.51	221	224	30.70	28.08	26	25

Continued on page F-10

TABLE F6 - GEOGRAPHICAL ANALYSIS OF ESTIMATED INDUSTRY SALES OF ELHI TEXTBOOKS

Continued from page F-9

	EST. INDUSTRY SALES ($)		PERCENT OF TOTAL SALES		ENROLLMENT		SALES PER CAPITA ($)		RANK IN PER CAPITA SALES	
	1985	1984	1985	1984	1985	1984	1985	1984	1985	1984
MARYLAND	21352	18736	1.54	1.52	775	785	27.55	23.87	43	43
MASSACHUSETTS	29852	25385	2.15	2.05	998	1027	29.91	24.72	33	41
MICHIGAN	57139	50315	4.12	4.07	1899	1935	30.09	26.00	32	35
MINNESOTA	27063	24220	1.95	1.96	760	768	35.61	31.54	17	13
MISSISSIPPI	14001	10704	1.01	.87	511	510	27.40	20.99	44	45
MISSOURI	34127	32955	2.46	2.67	924	931	36.93	35.40	15	7
MONTANA	6246	5459	.45	.44	161	163	38.80	33.49	9	11
NEBRASKA	9424	9178	.68	.74	304	307	31.00	29.90	25	20
NEVADA	6367	4351	.46	.35	161	159	39.55	27.36	8	29
NEW HAMPSHIRE	5394	5013	.39	.41	182	181	29.64	27.70	37	28
NEW JERSEY	54593	46616	3.93	3.77	1333	1359	40.95	34.30	7	9
NEW MEXICO	14737	8402	1.06	.68	281	279	52.44	30.11	2	17
NEW YORK	102447	92880	7.38	7.51	3161	3209	32.41	28.94	23	23
NORTH CAROLINA	41689	23056	3.00	1.87	1133	1146	36.80	20.12	16	50
NORTH DAKOTA	5549	5009	.40	.41	127	129	43.69	38.83	6	4
OHIO	60940	53964	4.39	4.37	2055	2088	29.65	25.84	36	36
OKLAHOMA	17908	16023	1.29	1.30	593	603	30.20	26.57	31	31
OREGON	18291	16907	1.32	1.37	472	476	38.75	35.52	10	6
PENNSYLVANIA	62530	53238	4.51	4.31	2070	2123	30.21	25.08	30	39
RHODE ISLAND	5485	5142	.40	.42	163	165	33.65	31.16	21	16
SOUTH CAROLINA	22894	21775	1.65	1.76	650	653	35.22	33.35	19	12
SOUTH DAKOTA	6479	6055	.47	.49	135	135	47.99	44.85	3	2
TENNESSEE	23891	18303	1.72	1.48	882	896	27.09	20.43	45	49
TEXAS	99818	81882	7.19	6.63	3271	3209	30.52	25.53	28	37
UTAH	9853	8183	.71	.66	405	396	24.33	20.66	48	48
VERMONT	2790	2400	.20	.19	99	100	28.18	24.00	40	42
VIRGINIA	31014	24250	2.23	1.96	1038	1045	29.88	23.21	34	44
WASHINGTON	20485	21684	1.48	1.75	799	798	25.64	27.17	46	30
WEST VIRGINIA	12340	11322	.89	.92	367	376	33.62	30.11	22	18
WISCONSIN	31303	26265	2.26	2.13	930	938	33.66	28.00	20	26
WYOMING	4719	4421	.34	.36	107	106	44.10	41.71	5	3
TOTAL DOMESTIC U.S.	1387772	1235949	100.00	100.00	44166	44470	31.42	27.79		

OPERATING DATA

Data are shown by size of publisher (**Tables F7 through F14**). **Table F7** is a summary table offering a composite income statement of the reporting publishers. The remaining tables detail specific expense areas.

While encouraged to furnish sales data on a calendar year basis, publishers were given the option of supplying operating information on a fiscal year basis. Two publishers did not indicate their year, and 4 others reported on a fiscal year basis. The months terminating their reporting year are listed below, together with the number of publishers for each such period:

April - 2
July - 1
November - 1

In addition to the operating data shown in **Table F7**, the publishers were asked to report the level of royalty advances carried on their balance sheets at reporting year-end. 13 publishers responded, reporting Total Advances of $7.9 million. As these publishers enjoy net sales of $714.0 million, the advances represent 1.1% of net sales.

11 Publishers, with net sales of $829.4 million, reported a Total Reserve For Returns on their balance sheets at year-end of $8.9 million, representing 1.1% of their net sales. This contrasted with a beginning of reporting year reserve of $9.9 million.

TABLE F7 - OPERATING DATA OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 17 PUBLISHERS

	ALL PUBLISHERS						YOUR DATA	
	1985			1984				
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		%	MID-RANGE		%	MID-RANGE		
GROSS SALES	1122376	103.5	101.5 TO 104.2	925045	103.1	101.8 TO 103.9		
RETURNS & ALLOWANCES	38021	3.5	1.5 TO 4.2	28135	3.1	1.8 TO 3.9		
NET SALES	1084355	100.0	100.0 TO 100.0	896910	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	236949	21.9	21.0 TO 25.5	201957	22.5	20.6 TO 25.8		
ROYALTIES	53802	5.0	4.2 TO 6.4	46152	5.1	4.3 TO 6.2		
PLANT COSTS	63263	5.8	5.2 TO 10.2	45897	5.1	4.4 TO 8.1		
TOTAL COST OF SALES	354014	32.6	30.0 TO 39.6	294005	32.8	30.0 TO 37.3		
GROSS MARGIN ON SALES	730341	67.4	60.4 TO 70.0	602904	67.2	62.7 TO 70.0		
OTHER INCOME (TOTAL)	6551	0.6	0.1 TO 0.5	4809	0.5	0.1 TO 1.0		
GENERAL	4956	0.5	0.1 TO 0.5	3650	0.4	0.1 TO 0.9		
FROM FOREIGN SUBSIDS.	1524	0.1		995	0.1	0.0 TO 1.7		
UNSPECIFIED	71			164				
PUBLISHING & OPERATING EXPENSES								
EDITORIAL	76788	7.1	4.4 TO 9.4	56348	6.3	4.5 TO 8.0		
PRODUCTION	31007	2.9	1.7 TO 2.6	21375	2.4	1.6 TO 2.5		
MARKETING	273639	25.2	21.9 TO 36.1	217910	24.3	20.6 TO 32.7		
FULFILLMENT	81094	7.5	6.2 TO 8.8	68914	7.7	6.4 TO 8.4		
GENERAL & ADMIN.	80810	7.5	6.1 TO 11.4	69509	7.7	6.8 TO 10.6		
TOTAL PUBL. & OPERATING EXPENSE	543338	50.1	44.3 TO 63.3	434058	48.4	42.8 TO 58.9		
INCOME FROM OPERATIONS*	193555	17.8	10.5 TO 24.0	173653	19.4	7.1 TO 25.4		

Continued on page F-12

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

TABLE F7 - OPERATING DATA OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page F-11

	6 PUBLISHERS WITH 1985 NET SALES BELOW $30 MILLION							
	1985			1984			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		%	MID-RANGE		%	MID-RANGE		
GROSS SALES	112637	103.5	101.4 TO 104.8	105922	103.3	101.6 TO 104.4		
RETURNS & ALLOWANCES	3766	3.5	1.4 TO 4.8	3420	3.3	1.6 TO 4.4		
NET SALES	108871	100.0	100.0 TO 100.0	102502	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	26667	24.5	22.6 TO 27.9	23981	23.4	20.5 TO 26.2		
ROYALTIES	5254	4.8	3.8 TO 6.1	6120	6.0	3.3 TO 6.7		
PLANT COSTS	13270	12.2	6.5 TO 16.7	7136	7.0	5.6 TO 10.7		
TOTAL COST OF SALES	45191	41.5	33.1 TO 48.5	37236	36.3	30.3 TO 41.5		
GROSS MARGIN ON SALES	63680	58.5	51.5 TO 66.9	65265	63.7	58.5 TO 69.7		
OTHER INCOME (TOTAL)	2219	2.0	0.5 TO 4.3	2378	2.3	0.5 TO 4.1		
GENERAL	2219	2.0	0.5 TO 4.3	2375	2.3	0.5 TO 4.1		
FROM FOREIGN SUBSIDS.	0	0.0		3	0.0			
UNSPECIFIED	0			0				
PUBLISHING & OPERATING EXPENSES								
EDITORIAL	9029	8.3	4.8 TO 13.6	8103	7.9	4.0 TO 13.6		
PRODUCTION	2184	2.0	1.9 TO 2.4	2099	2.0	1.5 TO 3.0		
MARKETING	37638	34.6	25.4 TO 43.5	34652	33.8	28.1 TO 44.3		
FULFILLMENT	8355	7.7	5.8 TO 8.9	7759	7.6	6.0 TO 8.2		
GENERAL & ADMIN.	11495	10.6	7.6 TO 12.9	9137	8.9	7.3 TO 11.3		
TOTAL PUBL. & OPERATING EXPENSE	68701	63.1	50.2 TO 77.6	61752	60.2	52.1 TO 73.0		
INCOME FROM OPERATIONS*	7199	6.6	-1.6 TO 27.4	5385	5.3	-24.5 TO 41.0		

Continued on page F-13

* Please see corresponding note on page F-11.

TABLE F7 - OPERATING DATA OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page F-12

	6 PUBLISHERS WITH 1985 NET SALES $30 TO $80 MILLION							
	1985			1984			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		%	MID-RANGE		%	MID-RANGE		
GROSS SALES	375192	104.2	102.4 TO 107.2	326096	103.7	101.7 TO 107.2		
RETURNS & ALLOWANCES	15216	4.2	2.4 TO 7.2	11563	3.7	1.7 TO 7.2		
NET SALES	359976	100.0	100.0 TO 100.0	314533	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	75920	21.1	15.2 TO 26.6	72545	23.1	19.4 TO 28.4		
ROYALTIES	21219	5.9	4.7 TO 7.4	18435	5.9	5.1 TO 7.2		
PLANT COSTS	23117	6.4	4.2 TO 8.7	18902	6.0	3.8 TO 8.4		
TOTAL COST OF SALES	120256	33.4	25.5 TO 38.4	109882	34.9	31.4 TO 39.7		
GROSS MARGIN ON SALES	239720	66.6	61.6 TO 74.5	204651	65.1	60.3 TO 68.6		
OTHER INCOME (TOTAL)	3506	1.0	0.2 TO 1.6	1398	0.4	0.1 TO 1.1		
GENERAL	1982	0.6	0.2 TO 0.9	466	0.1	0.1 TO 0.3		
FROM FOREIGN SUBSIDS.	1524	0.4		932	0.3			
UNSPECIFIED	0			0				
PUBLISHING & OPERATING EXPENSES								
EDITORIAL	19491	5.4	3.8 TO 6.4	15762	5.0	3.8 TO 5.9		
PRODUCTION	8031	2.2	1.0 TO 2.9	5977	1.9	1.3 TO 2.2		
MARKETING	96479	26.8	20.9 TO 31.2	72273	23.0	17.9 TO 26.1		
FULFILLMENT	28963	8.0	7.0 TO 9.4	25861	8.2	6.2 TO 9.6		
GENERAL & ADMIN.	33492	9.3	6.6 TO 12.4	28465	9.0	6.2 TO 12.8		
TOTAL PUBL. & OPERATING EXPENSE	186456	51.8	43.7 TO 60.9	148338	47.2	41.5 TO 51.1		
INCOME FROM OPERATIONS*	56770	15.8	13.8 TO 17.4	57711	18.3	13.2 TO 23.0		

Continued on page F-14

* Please see corresponding note on page F-11.

TABLE F7 - OPERATING DATA OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page F-13

	5 PUBLISHERS WITH 1985 NET SALES ABOVE $80 MILLION							
	1985			1984			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		%	MID-RANGE		%	MID-RANGE		
GROSS SALES	634547	103.1	102.1 TO 103.9	493027	102.7	101.7 TO 103.9		
RETURNS & ALLOWANCES	19039	3.1	2.1 TO 3.9	13152	2.7	1.7 TO 3.9		
NET SALES	615508	100.0	100.0 TO 100.0	479875	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	134362	21.8	20.4 TO 24.1	105431	22.0	20.4 TO 23.2		
ROYALTIES	27329	4.4	4.2 TO 4.6	21597	4.5	3.9 TO 4.9		
PLANT COSTS	26876	4.4	5.0 TO 7.1	19859	4.1	4.4 TO 7.6		
TOTAL COST OF SALES	188567	30.6	27.5 TO 35.6	146887	30.6	27.4 TO 34.0		
GROSS MARGIN ON SALES	426941	69.4	64.4 TO 72.5	332988	69.4	66.0 TO 72.6		
OTHER INCOME (TOTAL)	826	0.1	0.1 TO 0.2	1033	0.2	0.1 TO 0.3		
GENERAL	755	0.1	0.1 TO 0.2	809	0.2	0.1 TO 0.4		
FROM FOREIGN SUBSIDS.	0	0.0		60	0.0			
UNSPECIFIED	71			164				
PUBLISHING & OPERATING EXPENSES								
EDITORIAL	48268	7.8	5.2 TO 10.0	32483	6.8	4.8 TO 10.4		
PRODUCTION	20792	3.4	1.5 TO 4.9	13299	2.8	1.6 TO 4.5		
MARKETING	139522	22.7	20.4 TO 25.4	110985	23.1	21.0 TO 29.0		
FULFILLMENT	43776	7.1	5.4 TO 8.8	35294	7.4	5.9 TO 8.4		
GENERAL & ADMIN.	35823	5.8	5.3 TO 6.3	31907	6.6	5.3 TO 7.8		
TOTAL PUBL. & OPERATING EXPENSE	288181	46.8	43.2 TO 49.5	223968	46.7	41.6 TO 56.0		
INCOME FROM OPERATIONS*	139586	22.7	18.8 TO 24.5	110053	22.9	13.8 TO 25.5		

* Please see corresponding note on page F-11.

TABLE F8 - INVENTORY DATA OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 15 PUBLISHERS
WITH TOTAL NET SALES OF $1,021,655,000

	ALL PUBLISHERS		5 PUBLISHERS NET SALES UP TO $30 MILLION		5 PUBLISHERS NET SALES $30-$80 MILLION		5 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
BEGINNING INVENTORY	225655	22.1	24551	24.8	62488	20.4	138616	22.5		
PURCHASES	335094	32.8	32988	33.3	99042	32.3	203064	33.0		
COST OF FREE COPIES	55751	5.5	5563	5.6	17475	5.7	32713	5.3		
WRITE DOWNS	12157	1.2	2235	2.3	4095	1.3	5827	0.9		
ENDING INVENTORY AFTER WRITE DOWNS	274663	26.9	27641	27.9	74094	24.1	172927	28.1		
PAPER, PRINTING, BINDING & DUPL. COST OF PRODUCTS SOLD, INCLUDING WRITEDOWNS	230337	22.5	24335	24.6	69961	22.8	136040	22.1		

Based on the data in **Table F8**, the inventory turnover of all reporting publishers is 0.9; that of publishers with sales up to $30 million is also 0.9; that of publishers with net sales $30 to $80 million is 1.0; and that of publishers with net sales above $80 million is 0.9.

TABLE F9 - CASH PLANT EXPENDITURES OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 16 PUBLISHERS
WITH TOTAL NET SALES OF $928,465,000

	ALL PUBLISHERS		6 PUBLISHERS NET SALES UP TO $30 MILLION		6 PUBLISHERS NET SALES $30-$80 MILLION		4 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
CASH PLANT EXPENDITURES	92342	9.9	15126	13.9	30493	8.5	46723	10.2		

Table F9 details Cash Plant Expenditures. Since plant costs in **Table F7** are reported on an accrual basis and subject, therefore to varying treatment (amortization, write-off, inventory inclusion, etc.) depending on individual publisher's policies, valid comparison of a given publisher's experience with the composite figure becomes difficult. However, by reporting plant expenditures on a cash basis (i.e. actual monies spent during the year not related to books sold or to amortization of amounts previously expended) all reporting companies are, at least, placed on the same footing. By relating the expenditures to these publishers' net sales, a yardstick for comparison is established, even though no true (i.e. accrual) relationship exists between the cash amounts spent and the sales consummated during the year.

To provide an added perspective on the accrual figure reported in **Table F7**, publishers were asked to report their method of treating plant costs:

Amortized - 14 publishers
- Over 3 years - 3 publishers
- Over 3-5 yrs - 1 publisher
- Over 4 years - 1 publisher
- Over 5 years - 5 publishers
- Over 5-7 yrs - 1 publisher
- Over 6 years - 1 publisher
- Over 7 years - 1 publisher

Amortized separately, parallel to sales of first printing - 1 publisher

(Text continued bottom of page F-16)

TABLE F10a - EDITORIAL EXPENSE OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 18 PUBLISHERS
WITH TOTAL NET SALES OF $1,117,351,000

	ALL PUBLISHERS		6 PUBLISHERS NET SALES UP TO $30 MILLION		7 PUBLISHERS NET SALES $30-$80 MILLION		5 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
EDITORIAL EXPENSE										
SALARIES	37061	3.3	3922	3.6	11281	2.9	21857	3.6		
BENEFITS	7012	0.6	720	0.7	1938	0.5	4354	0.7		
OUTSIDE EDITORIAL EXP	27146	2.4	3399	3.1	5387	1.4	18360	3.0		
TRAVEL & ENTERTAINMNT	2728	0.2	306	0.3	894	0.2	1529	0.2		
OTHER	4886	0.4	683	0.6	2036	0.5	2168	0.4		
TOTAL EDITORIAL EXPENSE	78834	7.1	9029	8.3	21537	5.5	48268	7.8		

TABLE F10b - PRODUCTION EXPENSE OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 17 PUBLISHERS
WITH TOTAL NET SALES OF $1,105,584,000

	ALL PUBLISHERS		5 PUBLISHERS NET SALES UP TO $30 MILLION		7 PUBLISHERS NET SALES $30-$80 MILLION		5 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
PRODUCTION EXPENSE										
SALARIES	10495	0.9	1203	1.2	4190	1.1	5102	0.8		
BENEFITS	2184	0.2	221	0.2	771	0.2	1192	0.2		
OUTSIDE PRODUCTION EXPENSE	6897	0.6	557	0.6	2473	0.6	3868	0.6		
OTHER	11617	1.1	203	0.2	783	0.2	10631	1.7		
TOTAL PRODUCTION EXPENSE	31193	2.8	2184	2.0	8216	2.1	20792	3.4		

Text continued from page F-15

Expensed as incurred - 2 publishers

While the publishers reporting treatment policies are not wholly identical to those reporting accrued plant costs in **Table F7**, there is sufficient similarity to make the two groups comparable.

11 publishers with net sales of $682.2 million reported carrying $143.2 million in unamortized plant costs on their year-end balance sheets. $21.6 million involved unpublished, and $48.3 million involved published titles, while $73.3 million were reported without specification.

TABLE F11 - MARKETING EXPENSE OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 17 PUBLISHERS
WITH TOTAL NET SALES OF $1,065,307,000

	ALL PUBLISHERS		6 PUBLISHERS NET SALES UP TO $30 MILLION		6 PUBLISHERS NET SALES $30-$80 MILLION		5 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
SELLING EXPENSE										
SALESMEN'S SALARIES & COMMISSIONS	53467	5.0	9583	8.8	17910	5.3	25975	4.2		
SALESMEN'S BENEFITS	7948	0.7	1462	1.3	2391	0.7	4094	0.7		
SALESMEN'S TRAVEL & ENTERTAINMENT	21378	2.0	3450	3.2	8009	2.3	9919	1.6		
STAFF CONSULTANTS' SAL. & COMMISSIONS	9148	0.9	1341	1.2	2591	0.8	5216	0.8		
STAFF CONSULTANTS' BENEFITS	1615	0.2	222	0.2	382	0.1	1011	0.2		
STAFF CONSULTANTS' TRAVEL & ENTERTMNT	5159	0.5	727	0.7	1371	0.4	3061	0.5		
OUTSIDE CONSULTANTS' EXPENSE	2629	0.2	424	0.4	1147	0.3	1059	0.2		
DEPARTMENTAL MANAGERS SALARIES	10857	1.0	1752	1.6	2788	0.8	6316	1.0		
DEPARTMENTAL MANAGERS BENEFITS	1406	0.1	281	0.3	348	0.1	777	0.1		
DEPARTMENTAL CLERICAL SALARIES	5930	0.6	907	0.8	1908	0.6	3115	0.5		
DEPARTMENTAL CLERICAL BENEFITS	1303	0.1	148	0.1	401	0.1	753	0.1		
DEPARTMENTAL TRAVEL & ENTERTAINMENT	5611	0.5	942	0.9	2432	0.7	2237	0.4		
OTHER	34439	3.2	2164	2.0	6430	1.9	25845	4.2		
TOTAL SELLING EXPENSE	160890	15.1	23403	21.5	48109	14.1	89379	14.5		
PROMOTION EXPENSE										
DEPARTMENTAL SALARIES	7294	0.7	642	0.6	2280	0.7	4372	0.7		
DEPARTMENTAL BENEFITS	1575	0.1	109	0.1	342	0.1	1124	0.2		
SPACE ADVERTISING	4367	0.4	408	0.4	1686	0.5	2270	0.4		
CATALOGS, DIRECT MAIL & SELLING MATER'LS	18563	1.7	4539	4.2	6989	2.1	7034	1.1		
FREE COPIES (TOTAL)	56272	5.3	7374	6.8	21294	6.2	27605	4.5		
COST OF FREE COPIES	45946	4.4	4967	5.9	17642	5.2	23337	3.8		
POSTAGE	8651	0.8	731	0.9	3652	1.1	4268	0.7		
UNSPECIFIED	1675		1675		0		0			
EXHIBITS	4570	0.4	786	0.7	1452	0.4	2332	0.4		
OTHER	8911	0.8	378	0.3	3127	0.9	5405	0.9		
UNSPECIFIED	403		0		403		0			
TOTAL PROMOTION EXPENSE	101954	9.6	14235	13.1	37575	11.0	50143	8.1		
TOTAL MARKETING EXPENSE	262844	24.7	37638	34.6	85684	25.1	139522	22.7		

TABLE F12 - FULFILLMENT EXPENSE OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS

REPORTED BY 14 PUBLISHERS WITH TOTAL NET SALES OF $883,783,000 USING SPLIT FACILITIES	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $30 MILLION		6 PUBLISHERS NET SALES $30-$80 MILLION		4 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
INTERNAL FULFILLMENT EXPENSES										
ORDER PROCESSING AND CUSTOMER SERVICE										
SALARIES (TOTAL)	10884	1.2	883	1.2	4256	1.2	5745	1.2		
ACC'TS RECEIVABLE & CREDIT CONTRL	3566	0.4	181	0.2	2025	0.7	1361	0.3		
ORDER PROC. & CUST SERV. SALARIES	5958	0.7	672	0.9	1432	0.4	3854	0.8		
OTHER	1040	0.1	30	0.0	480	0.1	530	0.1		
UNSPECIFIED	320		0		320		0			
BENEFITS	3130	0.4	150	0.2	939	0.3	2041	0.4		
EDP/SYSTEMS EXPENSE	8833	1.0	433	0.6	3400	1.0	5000	1.1		
OTHER (INC. EQUIPMENT AND SUPPLIES)	2626	0.3	96	0.1	1455	0.4	1075	0.2		
TOTAL ORDER PROCESSING	25472	2.9	1562	2.1	10049	2.9	13862	3.0		
SHIPPING & WAREHOUSING										
SALARIES	13719	1.6	1138	1.5	5501	1.6	7079	1.5		
BENEFITS	2954	0.3	180	0.2	1085	0.3	1689	0.4		
OCCUPANCY	6652	0.8	573	0.8	2434	0.7	3645	0.8		
EQUIPMENT & SUPPLIES	3200	0.4	407	0.5	1172	0.3	1622	0.4		
TRANSPORTATION CHRGES	4318	0.5	362	0.5	2405	0.7	1551	0.3		
OTHER	-86	-0.0	16	0.0	44	0.0	-145	-0.0		
UNSPECIFIED	30		0		30		0			
TOTAL SHIPPING AND WAREHOUSING	30788	3.5	2676	3.5	12671	3.6	15441	3.4		
TOTAL INTERNAL FULFILLMENT EXP.	56260	6.4	4238	5.6	22720	6.5	29302	6.4		
EXTERNAL FULFILLMENT EXPENSE										
ORDER PROCESSING	0	0.0	0	0.0	0	0.0	0	0.0		
SHIPPING & WAREHOUS'G	135	0.0	0	0.0	135	0.0	0	0.0		
DEPOSITORY EXPENSE	13618	1.6	775	1.4	5815	1.7	7027	1.5		
UNSPECIFIED	271		271		0		0			
TOTAL EXTERNAL FULFILLMENT EXP.	14024	1.6	1047	1.4	5950	1.7	7027	1.5		
TOTAL FULFILLMENT EXP. OF PUBLISHERS WITH SPLIT FACILITIES	70284	8.0	5285	7.0	28670	8.2	36329	7.9		

TABLE F13 - GENERAL AND ADMINISTRATIVE EXPENSE OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 17 PUBLISHERS
WITH TOTAL NET SALES OF $961,461,000

	ALL PUBLISHERS		6 PUBLISHERS NET SALES UP TO $30 MILLION		7 PUBLISHERS NET SALES $30-$80 MILLION		4 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
MANAGEMENT SALARIES	7058	0.7	1926	1.8	3241	0.8	1892	0.4		
MANAGEMENT BENEFITS	1229	0.1	539	0.5	429	0.1	261	0.1		
ACCOUNTING SALARIES	5598	0.6	809	0.7	2604	0.7	2186	0.5		
ACCOUNTING BENEFITS	1283	0.1	136	0.1	529	0.1	617	0.1		
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	6506	0.7	793	0.7	2647	0.7	3067	0.7		
GENERAL OFFICE BENEFITS	2433	0.3	1105	1.0	521	0.1	806	0.2		
GENERAL TRAVEL & ENT.	1939	0.2	502	0.5	711	0.2	726	0.2		
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	3967	0.4	309	0.3	1687	0.4	1971	0.4		
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	14788	1.5	1909	1.8	5793	1.5	7087	1.5		
TAXES (EXCEPT PAYROLL & INCOME TAXES)	2524	0.3	295	0.3	1205	0.3	1023	0.2		
PERSONAL PROPERTY TAX	1761	0.2	160	0.2	984	0.3	617	0.1		
ALL OTHER TAXES	486	0.1	123	0.1	-33	-0.0	396	0.1		
UNSPECIFIED	276		12		254		10			
OTHER	23754	2.5	3172	2.9	13776	3.5	6807	1.5		
TOTAL GENERAL AND ADMINISTRATIVE EXP.	71078	7.4	11495	10.6	33142	8.4	26441	5.8		

TABLE F14 - SUMMARY OF EMPLOYEE BENEFITS EXPENSE OF ELHI PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 16 PUBLISHERS
WITH TOTAL NET SALES OF $870,223,000

	ALL PUBLISHERS		6 PUBLISHERS NET SALES UP TO $30 MILLION		7 PUBLISHERS NET SALES $30-$80 MILLION		3 PUBLISHERS NET SALES ABOVE $80 MILLION		YOUR DATA	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES		
PENSIONS	4264	0.5	551	0.5	1567	0.4	2147	0.6		
DEFERRED PROFIT SHARING	3792	0.4	888	0.8	1825	0.5	1079	0.3		
HOSPITALIZATION AND GROUP INSURANCE	9000	1.0	1911	1.8	3499	0.9	3589	1.0		
PAYROLL TAXES	11585	1.3	1982	1.8	5133	1.3	4470	1.2		
OTHER	2950	0.3	291	0.3	1263	0.3	1395	0.4		
TOTAL EMPLOYEE BENEFITS	31591	3.6	5624	5.2	13288	3.4	12680	3.4		

TABLE F15 - BILLINGS AND RECEIVABLES OF ELHI PUBLISHERS

	REPLIES	AMOUNT
NUMBER OF INVOICES ANNUALLY (000)	12	1708
AVERAGE INV. VALUE		415.22
NUMBER OF CREDIT MEMOS ANNUALLY (000)		112
ACCOUNTS RECEIVABLE (AT CAL. YR-END-$000)	15	181518
PERCENT OF NET SALES		18.7
ACCOUNTS RECE. - AGED TOTAL ($000)	12	120639
PCT. CURRENT		38.2
PCT. 1-60 DAYS		23.1
PCT. 61-180 DAYS		32.7
PCT. 181 DAYS OR MORE		6.0
BAD DEBT RESERVE ($000)	15	4130
PCT. OF NET SALES		0.4
PCT. OF RECEIVABLES		2.3
BAD DEBT LOSSES ($000)	12	500
PCT. OF NET SALES		0.1
PCT. OF RECEIVABLES		0.3
AVERAGE COLLECTION PERIOD (DAYS)	13	58
RANGE (DAYS)		35-111
AVG. ACCOUNTS RECEIVABLE (12 MONTHS) ($000)	13	164074
PCT. OF NET SALES		21.6

TABLE F16 - EMPLOYEE DATA OF ELHI PUBLISHERS

AS REPORTED BY 18 PUBLISHERS
EMPLOYING TOTAL STAFF OF 6,396
(NET SALES PER EMPLOYEE - $174,695)

	PERCENT OF TOTAL	
	AVERAGE	MID-RANGE
EDITORIAL	21.7	15.3 TO 25.0
PRODUCTION	6.7	3.9 TO 9.3
MARKETING (TOTAL)	39.9	31.2 TO 52.5
SALESMEN	22.4	17.5 TO 28.4
CONSULTANTS	4.3	3.1 TO 7.8
SALES MANAGEMENT	3.3	2.8 TO 4.8
SALES-CLERICAL	4.0	2.4 TO 8.6
PROMOTION	4.0	1.3 TO 5.3
UNSPECIFIED	1.8	
FULFILLMENT (TOTAL)	21.6	20.0 TO 32.6
ORDER PROCESSING	10.6	7.7 TO 15.7
SHIPPING & WAREHOUS'G	11.0	11.1 TO 16.8
ADMINISTRATIVE MANAGEMNT	2.2	0.8 TO 4.2
GENERAL OFFICE	6.4	5.7 TO 10.5
OTHER	1.4	0.9 TO 3.9
EMPLOYEES PER $100,000 SALES	0.6	0.5 TO 0.9

TABLE F17 - SELECTED BALANCE SHEET DATA OF ELHI PUBLISHERS

REPORTED BY 13 PUBLISHERS - WITH TOTAL NET SALES
OF $803,719,000

	PERCENT OF NET SALES	
	AVERAGE	MID-RANGE
NET ASSETS	57.5	45.0 TO 62.3
RECEIVABLES	13.9	10.2 TO 15.4
INVENTORIES	27.8	21.2 TO 30.6
PREPAID EXPENSES	0.9	0.3 TO 1.4
ROYALTY ADVANCES	0.8	0.4 TO 1.5
DEFERRED PLANT COSTS	14.3	5.0 TO 19.2
INCOME (LOSS) BEFORE TAXES	17.7	9.0 TO 23.1

SECTION G - COLLEGE PUBLISHERS AND DIVISIONS

Please refer to the GENERAL INSTRUCTIONS AND DEFINITIONS, and the specific instructions and definitions for this divisional survey in QUESTIONNAIRE FORM G (available on request from the AAP New York Office) to insure the correct interpretation of this report. Furthermore, the methodology used in gathering and reporting data, which is discussed in the INTRODUCTION should be reviewed for a full understanding of the tables and text.

SALES DATA

In **Table G2** twenty-two College textbook and materials publishers reported total 1985 net sales of $784.7 million to this Survey. As the College publishing industry enjoys total estimated book sales of $1325.0 million, as reported in **Table S1,** and audiovisual and related materials sales of $9.9 million for a combined estimated sales total of $1334.9 million, the reporting group appears to represent some 58.8% of this industry segment. However, the reader is referred to the discussion following **table G1,** and to the Higher Education Division footnote accompanying **Table S1.**

TABLE G1 - ESTIMATED INDUSTRY SALES OF COLLEGE TEXTBOOKS

The AAP Higher Education Division Statistics Committee has felt, for a number of years, that the estimates based on the U.S. Department of Commerce Census of Manufactures **(Table S1)** overstate the college textbook market, and they have annually conducted their own independent survey. This year the HED survey includes responses from 39 publishers which they feel represent the majority of college textbook publishers.

The results of this survey are shown in **Table G1,** and the list of participating publishers appears on page G-2.

NET SALES - MILLIONS OF DOLLARS

	1985	1984	PERCENT CHANGE
TABLE S-1 ESTIMATE	1325.0	1279.0	3.6
HED SURVEY (ACTUAL)	975.7	926.9	5.3
HED PERCENT OF S-1	73.6	72.5	

Continued on page G-2

TABLE G1 - ESTIMATED INDUSTRY SALES OF COLLEGE TEXTBOOKS

Continued from page G-1

Publishers participating in the special AAP Higher Education Statistics Committee Survey (**Table G1**):

Addison-Wesley Publishing
Allyn & Bacon, Inc.

Birch Tree Publ.
William C. Brown & Co.
Burgess Publishing

CBS College Publishing
Computer Science Press
Congressional Quarterly

Harlan Davidson
Dushkin Publishing

Gorsuch Scarisbook

Hackett Publishing
Harcourt Brace Jovanovich
Harper & Row, Publishers
D.C. Heath
Houghton-Mifflin

Richard D. Irwin

Little, Brown & Co.
Love Publishing

Macmillan, Inc.
Mayfield Publishing
McGraw-Hill
C.E. Merrill
Mitchell Publishing

W.W. Norton

Oxford University Press

Pacific Books
Prentice-Hall, Inc.

Random House

St. Martin's Press
Science Research Assocs.
Scientific Press
Scott, Foresman & Co.
Sinauer Associates
South-Western Publ.

Univ. Press of America

Wadsworth, Inc.
John Wiley & Sons
Worth Publishing

TABLE G2 - SALES OF COLLEGE TEXTBOOKS AND MATERIALS

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 22 PUBLISHERS

	GROSS SALES									
	1985		1984		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
BOOKS, TESTS, REPRINTS, PAMPHLETS AND MANUALS	953435	64434	919634	67164	3.7	-4.1				
AV AND OTHER MEDIA	1830	102	1623	123	12.8	-17.1				
TOTAL	955265	64536	921257	67287	3.7	-4.1				

Continued on page G-3

TABLE G2 - SALES OF COLLEGE TEXTBOOKS AND MATERIALS

Continued from page G-2

	RETURNS									
	1985		1984		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
BOOKS, TESTS, REPRINTS, PAMPHLETS AND MANUALS	170317	11458	158714	11478	7.3	-0.2				
AV AND OTHER MEDIA	282	17	291	19	-3.1	-10.5				
TOTAL	170599	11475	159005	11497	7.3	-0.2				

	NET SALES									
	1985		1984		PERCENT CHANGE		YOUR DATA			
	$	UNITS	$	UNITS	$	UNITS				
BOOKS, TESTS, REPRINTS, PAMPHLETS AND MANUALS	783118	52976	760920	55686	2.9	-4.9				
AV AND OTHER MEDIA	1548	85	1332	104	16.2	-18.3				
TOTAL	784666	53061	762252	55790	2.9	-4.9				

	1985 PERCENT RETURNS TO GROSS									
	DOLLARS			UNITS			YOUR DATA			
	AVERAGE	MID-RANGE		AVERAGE	MID-RANGE					
BOOKS, TESTS, REPRINTS, PAMPHLETS AND MANUALS	17.9	15.4 TO	18.7	17.8	15.4 TO	20.3				
AV AND OTHER MEDIA	15.4	8.2 TO	18.0	16.7	8.6 TO	21.3				
TOTAL	17.9	15.4 TO	18.7	17.8	15.4 TO	20.3				

	1984 PERCENT RETURNS TO GROSS									
	DOLLARS			UNITS			YOUR DATA			
	AVERAGE	MID-RANGE		AVERAGE	MID-RANGE					
BOOKS, TESTS, REPRINTS, PAMPHLETS AND MANUALS	17.3	15.1 TO	18.8	17.1	15.2 TO	19.5				
AV AND OTHER MEDIA	17.9	4.7 TO	19.5	15.4	15.0 TO	20.0				
TOTAL	17.3	15.6 TO	19.4	17.1	15.2 TO	19.5				

TABLE G3 - NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS-BY PRODUCT CATEGORY

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 20 PUBLISHERS

	1985		1984		1983		YOUR DATA			
	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS				
TEXTBOOKS	728995	49053	694334	49495	670009	48206				
AUDIOVISUAL & OTHER MEDIA	1673	99	1335	101	1048	117				
TOTAL BOOKS & MATERIALS	730668	49153	695669	49596	671057	48323				

	1982		PERCENT CHANGE 1984-1985		PERCENT CHANGE 1982-1985		YOUR DATA			
	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS				
TEXTBOOKS	620611	49160	5.0	-0.8	17.5	-0.2				
AUDIOVISUAL & OTHER MEDIA	1232	109	25.3	-2.0	35.8	-9.2				
TOTAL BOOKS & MATERIALS	621843	49269	5.0	-0.9	17.5	-0.2				

	1985 DOLLARS PER UNIT		1984 DOLLARS PER UNIT	
	$-AVG.	AVG $ MID-RANGE	$-AVG.	AVG $ MID-RANGE
TEXTBOOKS	14.86	13.14 TO 19.25	14.03	12.14 TO 17.38
AUDIOVISUAL & OTHER MEDIA	16.90	12.46 TO 20.18	13.22	12.44 TO 21.38
TOTAL BOOKS & MATERIALS	14.87	13.14 TO 19.53	14.03	12.23 TO 17.42

	1983 DOLLARS PER UNIT		1982 DOLLARS PER UNIT	
	$-AVG.	AVG $ MID-RANGE	$-AVG.	AVG $ MID-RANGE
TEXTBOOKS	13.90	12.37 TO 17.12	12.62	11.50 TO 15.52
AUDIOVISUAL & OTHER MEDIA	8.96	7.80 TO 20.71	11.30	9.21 TO 18.71
TOTAL BOOKS & MATERIALS	13.89	12.63 TO 16.85	12.62	11.61 TO 14.77

Table G4 - Estimated Domestic Sales of Books and Materials in the College Market, has been discontinued.

TABLE G5 - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS-BY MARKET CATEGORY

THOUSANDS OF DOLLARS - AS REPORTED BY 15 PUBLISHERS

	1984		1985			YOUR DATA		
	$	PCT OF TOTAL	$	PCT CHG FROM 84	PCT OF TOTAL			
DOMESTIC SALES								
BOOKSTORES (TOTAL)	434187	69.6	439766	1.3	69.5			
COLLEGE	393068	65.0	400555	1.9	65.8			
OTHER	27426	4.5	22629	-17.5	3.7			
UNSPECIFIED	13693		16582					
WHOLESALERS & JOBBERS	18991	3.0	16866	-11.2	2.7			
LIBRARIES AND INSTITUTIONS (TOTAL)	90570	14.5	98993	9.3	15.6			
COLLEGES & UNIV.	66279	10.7	71911	8.5	11.4			
SCHOOLS	20934	3.4	23889	14.1	3.8			
PUBLIC LIBRARIES	1939	0.3	1643	-15.3	0.3			
OTHER	969	0.2	1049	8.3	0.2			
UNSPECIFIED	450		500					
GOVERNMENT	1737	0.3	1713	-1.4	0.3			
INDUSTRY	5300	0.8	5170	-2.5	0.8			
DIRECT TO CONSUMER	11129	1.8	10766	-3.3	1.7			
OTHER	5787	0.9	8376	44.7	1.3			
TOTAL DOMESTIC SALES	567701	91.0	581650	2.5	91.9			
FOREIGN SALES	56256	9.0	51360	-8.7	8.1			
ALL SALES	623957	100.0	633010	1.5	100.0			

TABLE G6a - NET SALES OF NEW AND REVISED AND BACKLIST COLLEGE TEXTBOOKS

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 14 PUBLISHERS

	1985		1984		PCT CHG 85/84		YOUR DATA			
	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS				
TEXTBOOKS (TOTAL)	442116	27713	423130	29623	4.5	-6.4				
NEW & REVISED	151032	8855	139121	8903	8.6	-0.5				
BACKLIST	291084	18858	284009	20720	2.5	-8.9				

	1983		1982		PCT CHG 85/82		YOUR DATA			
	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS				
TEXTBOOKS (TOTAL)	392546	30662	360061	31021	22.8	-10.7				
NEW & REVISED	112895	8600	102872	8484	46.8	4.4				
BACKLIST	279651	22062	257189	22537	13.2	-16.3				

Please see **Table G6a** note on page G-6.

TABLE G6b - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS -BY SUBJECT CATEGORIES

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS

	1985		1984		1983	
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL
ACCOUNTING	34394	4.7	34919	5.0	30850	4.5
ANTHROPOLOGY	4074	0.6	3676	0.5	3604	0.5
ART & ARCHITECTURE	10662	1.5	8995	1.3	8176	1.2
ASTRONOMY	1654	0.2	1785	0.3	1805	0.3
BIOLOGY	25361	3.5	23461	3.3	21515	3.2
BUSINESS ADMINISTRATION	73345	10.0	69124	9.9	65062	9.6
MANAGEMENT	21697	3.0	19840	3.1	17504	2.7
MARKETING	11326	1.7	10039	1.5	12757	2.0
FINANCE	13092	1.9	11361	1.8	10243	1.6
OTHER	21787	3.2	22748	3.5	20654	3.2
UNSPECIFIED	5443		5136		3904	
BUSINESS EDUCATION	33862	4.6	38463	5.5	38325	5.6
CAREER EDUCATION & OCCUPATIONAL EDUC.	43591	5.9	39855	5.7	37954	5.6
CHEMISTRY (INCL. BIOCH.)	29137	4.0	27264	3.9	26373	3.9
COMPUTERS & COMPUTING	36939	5.0	41182	5.9	44046	6.5
ECONOMICS	24198	3.3	23203	3.3	20758	3.1
EDUCATION	27740	3.8	24326	3.5	23170	3.4
ENGINEERING	52394	7.1	49122	7.0	45681	6.7
ELECTRICAL	14091	2.1	12810	2.0	12044	1.9
CIVIL	4346	0.7	4414	0.7	4104	0.6
MECHANICAL	5353	0.8	5424	0.8	5805	0.9
OTHER	23801	3.6	22751	3.5	20577	3.3
UNSPECIFIED	4803		3723		3150	
ENGLISH LANGUAGE & LIT.	62653	8.5	59467	8.5	56884	8.4
ENGLISH-AS-A-SECOND LANGUAGE	1219	0.2	716	0.1	201	0.0
FOREIGN LANGUAGES (OTHER THAN FRENCH, GERMAN AND SPANISH)	2293	0.3	3170	0.5	2784	0.4
FRENCH	7253	1.0	6737	1.0	6315	0.9
GEOLOGY & EARTH SCIENCE	5371	0.7	4759	0.7	6060	0.9
GEOGRAPHY	4190	0.6	4240	0.6	4028	0.6
GERMAN	3459	0.5	3186	0.5	2829	0.4
HEALTH EDUCATION & PHYSICAL EDUCATION	4786	0.7	5197	0.7	5706	0.8
HISTORY	21451	2.9	21174	3.0	21510	3.2
HOME ECONOMICS	4182	0.6	3769	0.5	4048	0.6

Continued on page G-7

In **Table G6a** limiting themselves to **textbooks only**, and **including** export sales, publishers were asked to report their new and revised title sales (i.e. of titles copyrighted in the reporting year), and backlist sales separately.

Domestic Net Sales by **Subject Categories** are analyzed in **Tables G6b and G6c. Table G6b** includes **dollar data only,** but it reports the sale of **all** books and materials. **Table G6c** includes dollar and **unit** data, but is confined to **textbooks only,** excluding workbooks, tests, reprints, pamphlets, manuals and non-print media.

TABLE G6b - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS -BY SUBJECT CATEGORIES

Continued from page G-6

	1985		1984		1983	
	$	PCT OF TOTAL	$	PCT OF TOTAL	$	PCT OF TOTAL
MATHEMATICS	60091	8.2	60369	8.6	57733	8.5
MATHEMATICS	38546	7.1	38247	7.6	37268	7.5
STATISTICS	5594	1.0	5202	1.0	5269	1.1
OTHER	74	0.0	0	0.0	0	0.0
UNSPECIFIED	15877		16920		15196	
MUSIC	5923	0.8	5788	0.8	4987	0.7
NURSING & ALLIED HEALTH	8462	1.2	7385	1.1	6919	1.0
PHYSICS & PHYSICAL SCIENCE SURVEY	12297	1.7	12227	1.7	11004	1.6
POLITICAL SCIENCE, PUBLIC SERVICE & ADMINISTRATION	15826	2.2	14803	2.1	14466	2.1
PSYCHOLOGY	42297	5.8	37727	5.4	42990	6.3
RELIGION & PHILOSOPHY	10229	1.4	9857	1.4	9163	1.4
SOCIOLOGY	18268	2.5	15004	2.1	15047	2.2
SPANISH	11288	1.5	9653	1.4	8280	1.2
SPEECH, DRAMA & MASS MEDIA	17679	2.4	15754	2.2	15827	2.3
MISCELLANEOUS	16784	2.3	14810	2.1	14251	2.1
TOTAL	733352	100.0	701167	100.0	678351	100.0

TABLE G6c - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS-BY SUBJECT CATEGORIES

THOUSANDS OF DOLLARS AND UNITS - AS REPORTED BY 18 PUBLISHERS

	1985					1984				
	DOLLARS		UNITS		AVERAGE DOLLARS	DOLLARS		UNITS		AVERAGE DOLLARS
	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT
ACCOUNTING	31699	4.6	1806	4.4	17.55	32834	5.0	2094	4.8	15.68
ANTHROPOLOGY	4058	0.6	278	0.7	14.60	3610	0.5	291	0.7	12.41
ART & ARCHITECTURE	8738	1.3	464	1.1	18.83	7282	1.1	403	0.9	18.07
ASTRONOMY	1654	0.2	82	0.2	20.17	1751	0.3	73	0.2	23.99
BIOLOGY	25251	3.6	1307	3.2	19.32	23304	3.5	1211	2.8	19.24
BUSINESS ADMINISTRATION	68895	10.0	3646	8.9	18.90	65492	9.9	4019	9.2	16.30
MANAGEMENT	21372	3.2	1111	2.8	19.24	19627	3.1	1126	2.7	17.43
MARKETING	11199	1.7	517	1.3	21.66	9957	1.6	514	1.2	19.37
FINANCE	12901	1.9	598	1.5	21.57	11089	1.7	578	1.4	19.19
OTHER	21605	3.2	1294	3.3	16.70	22648	3.5	1658	4.0	13.66
UNSPECIFIED	1818		126			2171		143		
BUSINESS EDUCATION	19602	2.8	1341	3.3	14.62	18518	2.8	1421	3.3	13.03
CAREER EDUCATION & OCCUPATIONAL EDUC.	43529	6.3	2333	5.7	18.66	39644	6.0	2484	5.7	15.96
CHEMISTRY (INCL. BIOCH.)	28493	4.1	1483	3.6	19.21	26241	4.0	1426	3.3	18.40

Continued on page G-8

TABLE G8c - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS-BY SUBJECT CATEGORIES

Continued from page G-7

	1985					1984				
	DOLLARS		UNITS		AVERAGE DOLLARS	DOLLARS		UNITS		AVERAGE DOLLARS
	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT
COMPUTERS & COMPUTING	49794	7.2	2723	6.6	18.29	58909	8.9	4320	9.9	13.64
ECONOMICS	20961	3.0	1120	2.7	18.72	22243	3.4	1365	3.1	16.30
EDUCATION	25680	3.7	1329	3.2	19.32	22546	3.4	1446	3.3	15.59
ENGINEERING	52131	7.5	2183	5.3	23.88	48691	7.4	2226	5.1	21.87
ELECTRICAL	13958	2.2	540	1.5	25.85	12661	2.1	540	1.4	23.45
CIVIL	4346	0.7	148	0.4	29.36	4414	0.7	138	0.3	31.99
MECHANICAL	5354	0.9	181	0.5	29.58	5423	0.9	362	0.9	14.98
OTHER	23686	3.8	1080	3.0	21.93	22531	3.7	993	2.5	22.69
UNSPECIFIED	4787		234			3662		193		
ENGLISH LANGUAGE & LIT.	51973	7.5	4731	11.5	10.99	48187	7.3	4783	11.0	10.07
ENGLISH-AS-A-SECOND LANGUAGE	1213	0.2	122	0.3	9.94	710	0.1	67	0.2	10.60
FOREIGN LANGUAGES (OTHER THAN FRENCH, GERMAN AND SPANISH)	2095	0.3	135	0.3	15.52	2976	0.5	234	0.5	12.72
FRENCH	6500	0.9	450	1.1	14.44	6020	0.9	469	1.1	12.84
GEOLOGY & EARTH SCIENCE	5378	0.8	262	0.6	20.53	4744	0.7	225	0.5	21.08
GEOGRAPHY	4164	0.6	183	0.4	22.75	4205	0.6	199	0.5	21.13
GERMAN	2935	0.4	208	0.5	14.11	2662	0.4	206	0.5	12.92
HEALTH EDUCATION & PHYSICAL EDUCATION	4230	0.6	329	0.8	12.86	4826	0.7	333	0.8	14.49
HISTORY	18974	2.7	1378	3.4	13.77	17879	2.7	1379	3.2	12.97
HOME ECONOMICS	4176	0.6	233	0.6	17.92	3754	0.6	200	0.5	18.77
MATHEMATICS	57878	8.4	2965	7.2	19.52	58351	8.8	3141	7.2	18.58
MATHEMATICS	38233	7.3	1976	6.3	19.35	38242	7.8	2092	6.5	18.28
STATISTICS	5545	1.1	278	0.9	19.95	5045	1.0	249	0.8	20.26
OTHER	73	0.0	9	0.0	8.11	0	0.0	0	0.0	0.00
UNSPECIFIED	14027		702			15064		800		
MUSIC	5524	0.8	332	0.8	16.64	5279	0.8	355	0.8	14.87
NURSING & ALLIED HEALTH	8440	1.2	562	1.4	15.02	7355	1.1	466	1.1	15.78
PHYSICS & PHYSICAL SCIENCE SURVEY	11863	1.7	570	1.4	20.81	11130	1.7	579	1.3	19.22
POLITICAL SCIENCE, PUBLIC SERVICE & ADMINISTRATION	14614	2.1	986	2.4	14.82	14499	2.2	1120	2.6	12.95
PSYCHOLOGY	39091	5.6	2235	5.5	17.49	34273	5.2	2044	4.7	16.77
RELIGION & PHILOSOPHY	9570	1.4	598	1.5	16.00	9338	1.4	628	1.4	14.87
SOCIOLOGY	17930	2.6	1035	2.5	17.32	14477	2.2	932	2.1	15.53
SPANISH	10530	1.5	779	1.9	13.52	8640	1.3	701	1.6	12.33
SPEECH, DRAMA & MASS MEDIA	16900	2.4	1134	2.8	14.90	15129	2.3	1118	2.6	13.53
MISCELLANEOUS	17867	2.6	1641	4.0	10.89	14867	2.3	1555	3.6	9.56
TOTAL	692330	100.0	40963	100.0	16.90	660366	100.0	43513	100.0	15.18

Continued on page G-9

TABLE G6c - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS-BY SUBJECT CATEGORIES

Continued from page G-8

	1983					1982				
	DOLLARS		UNITS		AVERAGE DOLLARS	DOLLARS		UNITS		AVERAGE DOLLARS
	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT
ACCOUNTING	29110	4.6	1994	4.4	14.60	25626	4.4	1976	4.4	12.97
ANTHROPOLOGY	3574	0.6	313	0.7	11.42	3649	0.6	329	0.7	11.09
ART & ARCHITECTURE	6685	1.1	395	0.9	16.92	6757	1.2	413	0.9	16.36
ASTRONOMY	1774	0.3	88	0.2	20.16	1230	0.2	98	0.2	12.55
BIOLOGY	21208	3.3	1282	2.8	16.54	20652	3.5	1374	3.0	15.03
BUSINESS ADMINISTRATION	62211	9.8	3884	8.6	16.02	60841	10.4	4363	9.7	13.94
MANAGEMENT	17194	2.8	1046	2.4	16.44	11774	3.4	721	3.1	16.33
MARKETING	12617	2.1	796	1.8	15.85	7294	2.1	536	2.3	13.61
FINANCE	9983	1.6	565	1.3	17.67	7875	2.3	460	2.0	17.12
OTHER	20301	3.3	1326	3.0	15.31	9271	2.7	560	2.4	16.56
UNSPECIFIED	2116		151			24627		2086		
BUSINESS EDUCATION	15503	2.4	1302	2.9	11.91	15055	2.6	1384	3.1	10.88
CAREER EDUCATION & OCCUPATIONAL EDUC.	37044	5.8	2406	5.3	15.40	31439	5.4	2276	5.0	13.81
CHEMISTRY (INCL. BIOCH.)	25643	4.0	1897	4.2	13.52	25282	4.3	2008	4.4	12.59
COMPUTERS & COMPUTING	64668	10.2	5265	11.6	12.28	48257	8.2	3691	8.2	13.07
ECONOMICS	19000	3.0	1279	2.8	14.86	18978	3.2	1369	3.0	13.86
EDUCATION	21477	3.4	1564	3.5	13.73	20561	3.5	1598	3.5	12.87
ENGINEERING	44924	7.1	2116	4.7	21.23	42954	7.3	2495	5.5	17.22
ELECTRICAL	11907	2.0	480	1.2	24.81	7332	1.8	375	1.2	19.55
CIVIL	4103	0.7	125	0.3	32.82	2048	0.5	86	0.3	23.81
MECHANICAL	5789	1.0	421	1.0	13.75	8696	2.2	677	2.2	12.84
OTHER	19997	3.4	904	2.2	22.12	11460	2.8	548	1.8	20.91
UNSPECIFIED	3128		186			13418		809		
ENGLISH LANGUAGE & LIT.	46101	7.3	4860	10.7	9.49	42812	7.3	4817	10.7	8.89
ENGLISH-AS-A-SECOND LANGUAGE	201	0.0	22	0.0	9.14	192	0.0	22	0.0	8.73
FOREIGN LANGUAGES (OTHER THAN FRENCH, GERMAN AND SPANISH)	2622	0.4	216	0.5	12.14	2594	0.4	232	0.5	11.18
FRENCH	5630	0.9	468	1.0	12.03	5584	1.0	490	1.1	11.40
GEOLOGY & EARTH SCIENCE	6057	1.0	260	0.6	23.30	7456	1.3	358	0.8	20.83
GEOGRAPHY	3805	0.6	202	0.4	18.84	3708	0.6	230	0.5	16.12
GERMAN	2152	0.3	188	0.4	11.45	1703	0.3	158	0.4	10.78
HEALTH EDUCATION & PHYSICAL EDUCATION	5307	0.8	402	0.9	13.20	5594	1.0	490	1.1	11.42
HISTORY	19647	3.1	1580	3.5	12.43	16232	2.8	1508	3.3	10.76
HOME ECONOMICS	4034	0.6	258	0.6	15.64	3972	0.7	289	0.6	13.74
MATHEMATICS	53742	8.5	3135	6.9	17.14	49619	8.5	3336	7.4	14.87
MATHEMATICS	35554	7.4	2118	6.2	16.79	35560	7.9	2450	7.0	14.51
STATISTICS	5006	1.0	256	0.7	19.55	2567	0.6	135	0.4	19.01
OTHER	0	0.0	0	0.0	0.00	0	0.0	0	0.0	0.00
UNSPECIFIED	13182		761			11492		751		
MUSIC	4487	0.7	327	0.7	13.72	3981	0.7	314	0.7	12.68
NURSING & ALLIED HEALTH	6719	1.1	469	1.0	14.33	6528	1.1	500	1.1	13.06
PHYSICS & PHYSICAL SCIENCE SURVEY	10075	1.6	578	1.3	17.43	10683	1.8	664	1.5	16.09
POLITICAL SCIENCE, PUBLIC SERVICE & ADMINISTRATION	14088	2.2	1096	2.4	12.85	12556	2.1	1080	2.4	11.63
PSYCHOLOGY	38864	6.1	2516	5.6	15.45	34138	5.8	2413	5.3	14.15

Continued on page G-10

TABLE G6c - DOMESTIC NET SALES OF COLLEGE TEXTBOOKS-BY SUBJECT CATEGORIES

Continued from page G-9

	1983					1982				
	DOLLARS		UNITS		AVERAGE DOLLARS	DOLLARS		UNITS		AVERAGE DOLLARS
	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT	$	PCT OF TOTAL	NO.	PCT OF TOTAL	PER UNIT
RELIGION & PHILOSOPHY	8474	1.3	615	1.4	13.78	8495	1.4	680	1.5	12.49
SOCIOLOGY	14015	2.2	959	2.1	14.61	12425	2.1	968	2.1	12.84
SPANISH	7411	1.2	600	1.3	12.35	6973	1.2	606	1.3	11.51
SPEECH, DRAMA & MASS MEDIA	14545	2.3	1122	2.5	12.96	14536	2.5	1238	2.7	11.74
MISCELLANEOUS	13635	2.1	1654	3.7	8.24	14869	2.5	1371	3.0	10.85
TOTAL	634432	100.0	45312	100.0	14.00	585931	100.0	45138	100.0	12.98

TABLE G7a - NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS-BY GEOGRAPHICAL LOCATION

THOUSANDS OF DOLLARS - AS REPORTED BY 17 PUBLISHERS - WITH ESTIMATES OF INDUSTRY TEXTBOOK SALES

	ACTUAL SALES REPORTED (TEXTBOOKS & MATERIALS)			ESTIMATED INDUSTRY SALES (TEXTBOOKS ONLY)					YOUR DATA	
	1985	1984	PERCENT CHANGE	1985		1984		1966-68 (1)		
				$	INDEX	$	INDEX			
DOMESTIC UNITED STATES										
ALABAMA	9259	8757	5.7	16177	606	15305	574	2668		
ALASKA	1947	1725	12.9	3073	1234	2734	1098	249		
ARIZONA	11109	10559	5.2	18783	830	17855	789	2263		
ARKANSAS	4564	4267	7.0	9130	512	8533	479	1783		
CALIFORNIA	83450	82756	0.8	137407	467	136316	464	29394		
COLORADO	10883	10316	5.5	19485	496	18469	470	3927		
CONNECTICUT	10659	10200	4.5	20210	460	19340	440	4395		
DELAWARE	2639	2524	4.6	4253	669	4066	639	636		
DIST. OF COLUMBIA	6708	5931	13.1	10186	368	9047	326	2771		
FLORIDA	25563	24262	5.4	43361	641	41139	608	6765		
GEORGIA	13310	13073	1.8	23057	549	22649	539	4199		
HAWAII	2960	2623	12.8	5745	432	5116	384	1331		
IDAHO	2123	1959	8.4	3535	298	3261	275	1187		
ILLINOIS	34548	32369	6.7	57331	398	53731	373	14405		
INDIANA	14999	13969	7.4	28472	456	26510	424	6249		
IOWA	8759	8185	7.0	16095	423	15042	395	3804		
KANSAS	6095	5990	1.8	10410	370	10226	363	2816		
KENTUCKY	6763	6834	-1.0	13067	440	13199	444	2973		
LOUISIANA	10966	10564	3.8	19031	538	18334	519	3535		
MAINE	3080	2887	6.7	5306	364	4973	341	1458		
MARYLAND	14148	13517	4.7	25193	534	24062	510	4719		
MASSACHUSETTS	16492	24051	10.1	47332	390	43186	355	12149		
MICHIGAN	24912	24117	3.3	45577	419	44121	405	10885		
MINNESOTA	12685	12412	2.2	22006	444	21532	434	4958		
MISSISSIPPI	5199	4884	6.4	8642	436	8122	410	1980		
MISSOURI	14720	14342	2.6	25508	460	24862	448	5551		
MONTANA	2048	2202	-7.0	3595	382	3866	411	941		
NEBRASKA	4429	4332	2.2	7319	425	7161	416	1723		

Continued on page G-11

TABLE G7a - NET SALES OF COLLEGE TEXTBOOKS AND MATERIALS-BY GEOGRAPHICAL LOCATION

Continued from page G-10

	ACTUAL SALES REPORTED (TEXTBOOKS & MATERIALS)			ESTIMATED INDUSTRY SALES (TEXTBOOKS ONLY)					YOUR DATA	
	1985	1984	PERCENT CHANGE	1985		1984		1966-68 (1)		
				$	INDEX	$	INDEX			
NEVADA	2209	1896	16.5	4793	662	4133	571	724		
NEW HAMPSHIRE	3695	3720	-0.7	6055	465	6098	468	1302		
NEW JERSEY	22706	21048	7.9	40789	511	37803	473	7986		
NEW MEXICO	3927	3693	6.3	7060	510	6642	480	1383		
NEW YORK	60141	57936	3.8	106483	417	102585	402	25530		
NORTH CAROLINA	17432	16899	3.2	33253	609	32222	590	5457		
NORTH DAKOTA	2557	2617	-2.3	4197	476	4296	488	881		
OHIO	29068	28378	2.4	49931	409	48761	400	12205		
OKLAHOMA	8082	8220	-1.7	14370	464	14619	472	3095		
OREGON	8105	7998	1.3	13669	364	13494	359	3754		
PENNSYLVANIA	35939	34324	4.7	64681	412	61777	394	15682		
RHODE ISLAND	3826	3745	2.2	5813	377	5688	369	1541		
SOUTH CAROLINA	8111	7913	2.5	12550	522	12244	509	2404		
SOUTH DAKOTA	2003	2044	-2.0	3271	303	3338	310	1078		
TENNESSEE	10682	12928	-17.4	19070	446	23087	540	4279		
TEXAS	43704	42897	1.9	70078	574	68771	563	12214		
UTAH	5123	5093	0.6	8630	389	8579	386	2220		
VERMONT	2066	2045	1.0	3677	427	3641	423	861		
VIRGINIA	18394	16970	8.4	30266	632	27921	583	4787		
WASHINGTON	12252	11867	3.2	24401	552	23644	535	4421		
WEST VIRGINIA	4238	4104	3.3	8307	382	8042	370	2176		
WISCONSIN	13364	12669	5.5	22417	427	21248	404	5254		
WYOMING	1554	1408	10.4	2664	501	2424	456	532		
TOTAL DOMESTIC U.S.	694198	670019	3.6	1205711	465	1163814	449	259480		
P.R. & OTHER U.S. POSS.	3306	4386	-24.6	8702	838	10107	974	1038		
FOREIGN										
CANADA	19238	21588	-10.9	37726	330	37081	325	11423		
EUROPE	5606	6244	-10.2	26762	431	26099	420	6215		
ALL OTHER	28578	29711	-3.8	46074	446	41944	406	10327		
TOTAL FOREIGN	53422	57543	-7.2	110562	395	105124	376	27965		
ALL SALES	750925	731948	2.6	1324975	459	1279045	444	288383		

The first three columns in **Table G7a** show actual sales of reporting publishers by geographical location, and include **both textbooks and audiovisual and other materials.**

The remaining columns continue the historical series of estimated industry sales and, therefore, include **textbook sales only.**

The reader is cautioned that the actual change in sales for a given state may not reflect an actual sales increase (or decrease), but rather a shift in sales between reporting and non-reporting publishers.

Note: (1) Figures in the column so marked, provide the base (100%) for the Index, and represent the average sales for the years 1966 through 1968.

SPECIAL 1985 Industry Statistics FOOTNOTE TO TABLE G7b: Total U.S. FTE college enrollment figures are based on Table 14 (Intermediate Alternative Projections) in the National Center for Education Statistics book Projections of Education Statistics to 1990-91, Volume I. 1984 state-by-state enrollment figures are based on data furnished by the NCES in a "Table 13" (of an unspecified publication) printout dated 12/30/85 giving Fall 1984 enrollments. (Fall enrollments are generally higher than **Annual** enrollments), so these data were "chained" to the total U.S. figure cited above.

1985 state enrollments are still unavailable at this writing. The 1985 figures shown here apply the trend between 1982 (AAP Industry Statistics 1983) and 1984 data to the 1984 data, and the resulting data were then "chained" to the 1985 U.S. estimate.

TABLE G7b - GEOGRAPHICAL ANALYSIS OF ESTIMATED DOMESTIC INDUSTRY SALES OF COLLEGE TEXTBOOKS

THOUSANDS OF STUDENTS AND DOLLARS

	EST. INDUSTRY SALES ($)		PERCENT OF TOTAL SALES		ENROLLMENT		SALES PER CAPITA ($)		RANK IN SALES PER CAPITA	
	1985	1984	1985	1984	1985	1984	1985	1984	1985	1984
ALABAMA	16177	15305	1.34	1.32	149	145	108.57	105.55	46	45
ALASKA	3073	2734	.25	.23	12	13	256.08	210.31	1	1
ARIZONA	18783	17855	1.56	1.53	126	130	149.07	137.35	18	20
ARKANSAS	9130	8533	.76	.73	63	64	144.92	133.33	21	27
CALIFORNIA	137407	136316	11.40	11.71	967	1054	142.10	129.33	24	32
COLORADO	19485	18469	1.62	1.59	116	122	167.97	151.39	7	7
CONNECTICUT	20210	19340	1.68	1.66	105	109	192.48	177.43	4	4
DELAWARE	4253	4066	.35	.35	26	26	163.58	156.38	9	6
DISTRICT OF COLUMBIA	10186	9047	.84	.78	56	60	181.89	150.78	5	8
FLORIDA	43361	41139	3.60	3.53	322	313	134.66	131.43	32	28
GEORGIA	23057	22649	1.91	1.95	164	160	140.59	141.56	27	14
HAWAII	5745	5116	.48	.44	37	37	155.27	138.27	12	18
IDAHO	3535	3261	.29	.28	32	33	110.47	98.82	45	50
ILLINOIS	57331	53731	4.75	4.62	416	434	137.81	123.80	28	36
INDIANA	28472	26510	2.36	2.28	191	195	149.07	135.95	17	21
IOWA	16095	15042	1.33	1.29	131	128	122.86	117.52	38	41
KANSAS	10410	10226	.86	.88	96	100	108.44	102.26	47	47
KENTUCKY	13067	13199	1.08	1.13	108	112	120.99	117.85	40	39
LOUISIANA	19031	18334	1.58	1.57	155	149	122.78	123.05	39	38
MAINE	5306	4973	.44	.43	39	38	136.05	130.87	31	30
MARYLAND	25193	24062	2.09	2.07	147	151	171.38	159.35	6	5
MASSACHUSETTS	47332	43186	3.93	3.71	315	318	150.26	135.81	15	22
MICHIGAN	45577	44121	3.78	3.79	314	338	145.15	130.54	20	31
MINNESOTA	22006	21532	1.83	1.85	167	168	131.77	128.17	34	34
MISSISSIPPI	8642	8122	.72	.70	86	88	100.49	92.30	51	51
MISSOURI	25508	24862	2.12	2.14	173	179	147.45	138.89	19	17
MONTANA	3595	3866	.30	.33	29	30	123.97	128.86	36	33
NEBRASKA	7319	7161	.61	.62	71	71	103.08	100.86	50	48
NEVADA	4793	4133	.40	.36	21	22	228.24	187.86	2	2
NEW HAMPSHIRE	6055	6098	.50	.52	43	42	140.81	145.19	26	12
NEW JERSEY	40789	37803	3.38	3.25	188	204	216.96	185.31	3	3
NEW MEXICO	7060	6642	.59	.57	47	47	150.21	141.32	16	15
NEW YORK	106483	102585	8.83	8.81	756	767	140.85	133.75	25	26
NORTH CAROLINA	33253	32222	2.76	2.77	242	240	137.41	134.26	29	23
NORTH DAKOTA	4197	4296	.35	.37	32	32	131.16	134.25	35	24
OHIO	49931	48761	4.14	4.19	376	384	132.80	126.98	33	35
OKLAHOMA	14370	14619	1.19	1.26	128	125	112.27	116.95	44	42
OREGON	13669	13494	1.13	1.16	95	103	143.88	131.01	22	29
PENNSYLVANIA	64681	61777	5.36	5.31	422	418	153.27	147.79	13	9
RHODE ISLAND	5813	5688	.48	.49	51	52	113.98	109.38	43	44
SOUTH CAROLINA	12550	12244	1.04	1.05	106	107	118.40	114.43	41	43
SOUTH DAKOTA	3271	3338	.27	.29	24	27	136.29	123.63	30	37
TENNESSEE	19070	23087	1.58	1.98	154	157	123.83	147.05	37	10
TEXAS	70078	68771	5.81	5.91	596	584	117.58	117.76	42	40
UTAH	8630	8579	.72	.74	80	83	107.88	103.36	48	46
VERMONT	3677	3641	.30	.31	24	25	153.21	145.64	14	11
VIRGINIA	30266	27921	2.51	2.40	190	199	159.29	140.31	10	16
WASHINGTON	24401	23644	2.02	2.03	149	171	163.77	138.27	8	19
WEST VIRGINIA	8307	8042	.69	.69	58	60	143.22	134.03	23	25
WISCONSIN	22417	21248	1.86	1.83	208	211	107.77	100.70	49	49
WYOMING	2664	2424	.22	.21	17	17	156.71	142.59	11	13
TOTAL	1205711	1163814	100.00	100.00	8620	8842	139.87	131.62		

Footnotes for **Table G7b** appear on pages G-11 and G-27.

TABLE G8 - OPERATING DATA OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS

	ALL PUBLISHERS							
	1985			1984			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		%	MID-RANGE		%	MID-RANGE		
GROSS SALES	906658	119.6	117.1 TO 123.5	853996	119.7	117.1 TO 122.0		
RETURNS & ALLOWANCES	148574	19.6	17.1 TO 23.5	140340	19.7	17.1 TO 22.0		
NET SALES	758083	100.0	100.0 TO 100.0	713656	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	142984	18.9	15.7 TO 21.7	124483	17.4	15.1 TO 22.3		
ROYALTIES	112538	14.8	14.6 TO 16.2	106802	15.0	14.5 TO 15.8		
TOTAL COST OF SALES	255522	33.7	31.7 TO 36.1	231285	32.4	30.2 TO 35.7		
GROSS MARGIN ON SALES	502561	66.3	63.9 TO 68.3	482371	67.6	64.3 TO 69.8		
OTHER INCOME	8077	1.1	0.2 TO 0.8	7465	1.0	0.1 TO 0.8		
PUBLISHING & OPERATING EXPENSES								
PLANT COSTS	53787	7.1	4.6 TO 9.0	51131	7.2	5.2 TO 10.1		
EDITORIAL	49834	6.6	6.1 TO 8.1	47220	6.6	5.7 TO 8.3		
PRODUCTION	23631	3.1	1.7 TO 4.9	22023	3.1	2.0 TO 5.0		
MARKETING	125559	16.6	14.6 TO 19.9	113234	15.9	13.6 TO 19.0		
FULFILLMENT	46740	6.2	5.0 TO 8.2	45408	6.4	5.2 TO 9.2		
GENERAL & ADMIN.	79849	10.5	8.5 TO 14.8	78643	11.0	7.9 TO 13.8		
TOTAL PUBL. & OPERATING EXPENSE	379410	50.0	45.0 TO 60.0	357659	50.1	46.9 TO 59.9		
INCOME FROM OPERATIONS*	131227	17.3	6.7 TO 20.3	132177	18.5	10.7 TO 19.8		

* Operating expenses as reported above do not include certain corporate charges. Examples of items which may not be reported are corporate staff compensation, legal and accounting fees, interest costs, and other charges which are not directly applicable to a particular business segment. As a result, income from operations as expressed above does not reflect actual pre-tax operating margins.

Continued on page G-14

OPERATING DATA

Data are furnished by size of publisher (**Tables G8 through G17**). **Table G8** is a summary table, offering a composite income statement of the reporting publishers. The remaining tables detail specific expense areas including a time series covering detailed expense ratios of the past four years (**Tables G18 through G23**).

The series of **Tables G18 through G23** (pages G-23 through G-26) provide comparisons for four years, of expense ratios in operating areas. Note that the reported changes in the ratios from year to year are based on comparisons of **unrounded** figures, while the actual ratios reported in the tables have been rounded to one decimal point. As a result, changes in magnitude will be reported for figures which, because of the rounding, appear to be identical.

Text continued on page G-14

TABLE G8 - OPERATING DATA OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page G-13

	3 PUBLISHERS WITH 1985 NET SALES UP TO $10 MILLION						
	1985			1984			YOUR DATA
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES		
		%	MID-RANGE		%	MID-RANGE	
GROSS SALES	20638	121.3	115.3 TO 125.0	18748	120.1	114.6 TO 127.3	
RETURNS & ALLOWANCES	3619	21.3	15.3 TO 25.0	3134	20.1	14.6 TO 27.3	
NET SALES	17018	100.0	100.0 TO 100.0	15614	100.0	100.0 TO 100.0	
COST OF SALES							
PAPER, PRINTING, BINDING & DUPL. COSTS	3206	18.8	17.0 TO 30.0	2544	16.3	13.4 TO 26.9	
ROYALTIES	2578	15.1	14.7 TO 17.1	2465	15.8	14.8 TO 17.0	
TOTAL COST OF SALES	5784	34.0	31.7 TO 47.1	5009	32.1	28.2 TO 42.2	
GROSS MARGIN ON SALES	11234	66.0	52.9 TO 68.3	10605	67.9	57.8 TO 71.8	
OTHER INCOME	100	0.6		70	0.4		
PUBLISHING & OPERATING EXPENSES							
PLANT COSTS	963	5.7		2172	13.9		
EDITORIAL	1883	11.1	3.7 TO 14.6	1164	7.5	3.7 TO 8.3	
PRODUCTION	194	1.1		259	1.7		
MARKETING	3182	18.7	7.2 TO 23.5	2897	18.6	8.0 TO 22.9	
FULFILLMENT	1134	6.7	6.3 TO 9.5	929	5.9	5.2 TO 10.2	
GENERAL & ADMIN.	2984	17.5	15.1 TO 23.4	2396	15.3	12.4 TO 21.6	
TOTAL PUBL. & OPERATING EXPENSE	10340	60.8	43.9 TO 63.8	9817	62.9	43.4 TO 68.0	
INCOME FROM OPERATIONS*	994	5.8	4.8 TO 9.0	852	5.5	-2.5 TO 14.4	

* Please see corresponding note on page G-13.

Continued on page G-15

Text continued from page G-13

While encouraged to furnish sales data on a calendar year basis, publishers were given the option of supplying operating information on a fiscal year basis. 7 publishers exercised this option. For the fiscal year publishers, the month terminating their reporting year is listed below, together with the number of publishers for each such month:

March - 1
April - 1
June - 1
July - 1
October - 2
November - 1

17 publishers, with net sales of $638.0 million, supplemented their operating data by reporting Cash Plant Expenditures of $53.4 million (8.4% of net sales). Since plant costs in Table G8 are reported on an accrual basis and subject, therefore, to varying treatment (amortization, write-off, inventory inclusion, etc.) depending on individual publishers' policies, valid comparison of a given publishers' experience with the composite figure becomes difficult. However, by reporting plant expenditures on a cash basis (i.e. actual monies spent during the year not related to books sold or to amortization of amounts previously expended), all reporting companies are, at least, placed on the same footing. By relating the expenditures to these publishers' net sales, a yardstick of comparison is established, even though no true (i.e. accrual) relationship exists between the cash amounts spent on the sales consummated during the year.

Text continued on page G-15

TABLE G8 - OPERATING DATA OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page G-14

	4 PUBLISHERS WITH 1985 NET SALES $10 TO $25 MILLION							
	1985			1984			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		%	MID-RANGE		%	MID-RANGE		
GROSS SALES	99456	123.1	119.4 TO 127.0	89966	120.9	118.1 TO 123.5		
RETURNS & ALLOWANCES	18656	23.1	19.4 TO 27.0	15552	20.9	18.1 TO 23.5		
NET SALES	80800	100.0	100.0 TO 100.0	74414	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	16409	20.3	16.5 TO 24.3	15249	20.5	16.6 TO 25.0		
ROYALTIES	12101	15.0	14.8 TO 15.2	11404	15.3	14.6 TO 15.8		
TOTAL COST OF SALES	28510	35.3	31.4 TO 39.3	26653	35.8	32.4 TO 40.0		
GROSS MARGIN ON SALES	52290	64.7	60.7 TO 68.6	47761	64.2	60.0 TO 67.6		
OTHER INCOME	112	0.1	0.0 TO 0.3	404	0.5	0.1 TO 1.2		
PUBLISHING & OPERATING EXPENSES								
PLANT COSTS	5920	7.3	4.0 TO 12.0	4738	6.4	3.5 TO 9.2		
EDITORIAL	5734	7.1	6.6 TO 7.7	4961	6.7	6.4 TO 7.1		
PRODUCTION	3417	4.2	3.1 TO 5.3	2786	3.7	2.2 TO 5.1		
MARKETING	15393	19.1	13.7 TO 23.7	13445	18.1	12.6 TO 23.5		
FULFILLMENT	6341	7.8	6.4 TO 10.2	6188	8.3	6.8 TO 10.9		
GENERAL & ADMIN.	10203	12.6	11.1 TO 13.9	8300	11.2	7.9 TO 14.5		
TOTAL PUBL. & OPERATING EXPENSE	47008	58.2	50.2 TO 65.3	40418	54.3	48.8 TO 64.4		
INCOME FROM OPERATIONS*	5394	6.7	-0.0 TO 11.0	7747	10.4	-1.0 TO 15.5		

* Please see corresponding note on page G-13.

Continued on page G-16

Text continued from page G-14

To provide an added perspective on the accrual figure reported in **Table G8**, however, publishers were asked to report their methods of treating plant costs:

4 publishers reported using sum-of-the-years' digits systems (varying from 3 to 5 years); 4 publishers reported straight-line amortization of 3 to 5 years, and 7 publishers used other systems.

16 publishers, with total net sales of $594.9 million reported carrying unamortized plant costs totaling $91.4 million (15.4% of net sales) on their year-end balance sheets. $14.8 million of this amount involved unpublished titles; $32.1 million involved published titles; and $44.5 million were reported without specification.

TABLE G8 - OPERATING DATA OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page G-15

	6 PUBLISHERS WITH 1985 NET SALES $25 TO $45 MILLION							
	1985			1984			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		%	MID-RANGE		%	MID-RANGE		
GROSS SALES	263580	122.0	118.2 TO 125.2	232369	121.5	118.9 TO 124.2		
RETURNS & ALLOWANCES	47542	22.0	18.2 TO 25.2	41173	21.5	18.9 TO 24.2		
NET SALES	216038	100.0	100.0 TO 100.0	191196	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	38836	18.0	16.4 TO 20.3	33906	17.7	15.5 TO 20.7		
ROYALTIES	32846	15.2	14.3 TO 16.2	28651	15.0	14.0 TO 15.9		
TOTAL COST OF SALES	71682	33.2	32.0 TO 34.2	62557	32.7	31.5 TO 34.7		
GROSS MARGIN ON SALES	144356	66.8	65.8 TO 68.0	128639	67.3	65.3 TO 68.5		
OTHER INCOME	-162	-0.1	-0.5 TO 0.6	471	0.2	-0.5 TO 1.2		
PUBLISHING & OPERATING EXPENSES								
PLANT COSTS	17104	7.9	4.6 TO 11.0	15590	8.2	5.0 TO 11.9		
EDITORIAL	17077	7.9	6.4 TO 9.5	15641	8.2	6.7 TO 9.8		
PRODUCTION	8264	3.8	3.0 TO 5.5	6994	3.7	2.7 TO 5.6		
MARKETING	39525	18.3	16.9 TO 20.3	35704	18.7	17.9 TO 19.7		
FULFILLMENT	12758	5.9	5.0 TO 6.9	12276	6.4	4.9 TO 9.3		
GENERAL & ADMIN.	18709	8.7	6.5 TO 10.2	17131	9.0	7.0 TO 11.2		
TOTAL PUBL. & OPERATING EXPENSE	113437	52.5	46.5 TO 59.9	103336	54.0	48.6 TO 60.5		
INCOME FROM OPERATIONS*	30757	14.2	7.5 TO 20.6	25773	13.5	6.9 TO 19.5		

* Please see corresponding note on page G-13.

Continued on page G-17

TABLE G8 - OPERATING DATA OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

Continued from page G-16

	6 PUBLISHERS WITH 1985 NET SALES ABOVE $45 MILLION							
	1985			1984			YOUR DATA	
	$	PERCENT OF NET SALES		$	PERCENT OF NET SALES			
		%	MID-RANGE		%	MID-RANGE		
GROSS SALES	522984	117.7	114.6 TO 120.7	512913	118.6	115.2 TO 121.4		
RETURNS & ALLOWANCES	78757	17.7	14.6 TO 20.7	80481	18.6	15.2 TO 21.4		
NET SALES	444227	100.0	100.0 TO 100.0	432432	100.0	100.0 TO 100.0		
COST OF SALES								
PAPER, PRINTING, BINDING & DUPL. COSTS	84533	19.0	15.2 TO 22.8	72784	16.8	14.9 TO 19.2		
ROYALTIES	65013	14.6	12.8 TO 16.8	64282	14.9	13.2 TO 16.6		
TOTAL COST OF SALES	149546	33.7	28.8 TO 37.4	137066	31.7	28.5 TO 35.7		
GROSS MARGIN ON SALES	294681	66.3	62.6 TO 71.2	295366	68.3	64.3 TO 71.5		
OTHER INCOME	8027	1.8	0.3 TO 2.3	6520	1.5	0.1 TO 1.8		
PUBLISHING & OPERATING EXPENSES								
PLANT COSTS	29800	6.7	5.0 TO 8.7	28631	6.6	4.4 TO 8.3		
EDITORIAL	25150	5.7	5.0 TO 6.9	25454	5.9	4.9 TO 8.2		
PRODUCTION	11756	2.6	1.2 TO 3.9	11984	2.8	1.4 TO 3.9		
MARKETING	67459	15.2	12.7 TO 17.1	61188	14.1	11.3 TO 16.0		
FULFILLMENT	26507	6.0	3.5 TO 8.3	26015	6.0	2.9 TO 8.9		
GENERAL & ADMIN.	47953	10.8	8.4 TO 15.0	50816	11.8	8.1 TO 14.3		
TOTAL PUBL. & OPERATING EXPENSE	208625	47.0	42.6 TO 52.3	204088	47.2	40.6 TO 51.3		
INCOME FROM OPERATIONS	94082	21.2	14.4 TO 27.3	97798	22.6	17.2 TO 29.3		

* Please see corresponding note on page G-13.

TABLE G9 - INVENTORY DATA OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 20 PUBLISHERS
WITH TOTAL NET SALES OF $761,532,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $10 MILLION		4 PUBLISHERS NET SALES $10-$25 MILLION		6 PUBLISHERS NET SALES $25-$45 MILLION		6 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
BEGINNING INVENTORY	121675	16.0	3565	17.4	11490	14.2	36593	16.9	70026	15.8
PURCHASES OF PAPER, PRINTING, BINDING & DUPLICATING	162191	21.3	5020	24.5	20841	25.8	46058	21.3	90272	20.3
COST OF FREE COPIES	15379	2.0	583	2.8	2079	2.6	4631	2.1	8086	1.8
WRITE DOWNS	10700	1.4	258	1.3	1135	1.4	2653	1.2	6655	1.5
ENDING INVENTORY AFTER WRITE DOWNS	124853	16.4	3993	19.5	14988	18.5	38783	18.0	67089	15.1
PAPER, PRINTING, BINDING & DUPL. COST OF PRODUCTS SOLD	143634	18.9	4008	19.6	15264	18.9	39237	18.2	85123	19.1

Based on data in **Table G9**, the inventory turnover of all reporting publishers is 1.2; that of publishers with sales up to $10 million is 1.1; that of publishers with net sales $10-$25 million is 1.2; that of publishers with net sales $25-$45 million is 1.0; and that of publishers with net sales above $45 million is 1.2.

TABLE G10 - ROYALTY EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 21 PUBLISHERS
WITH TOTAL NET SALES OF $776,865,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		6 PUBLISHERS NET SALES $25-$45 MILLION		6 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ROYALTIES AND FEES PAID	112327	14.5	2745	13.4	14519	15.1	31449	14.6	63614	14.3
ADVANCES WRITTEN OFF	2443	0.3	50	0.2	188	0.2	600	0.3	1604	0.4
TOTAL ROYALTY EXPENSE	114770	14.8	2795	13.7	14707	15.3	32049	14.8	65219	14.7

For **Table G10**, in addition to royalty operating data, publishers were asked to report the level of royalty advances carried on their balance sheets at reporting year end.

For 1985, 18 publishers with net sales of $716.3 million, reported royalty advances before write-off of $28.6 million (4.0% of net sales), and after write-off of $23.3 million (3.3% of net sales). The write-off therefore represented 0.7% of net sales and 18.6% of gross advances.

For 1984, 16 publishers reported royalty advances before write-off of $21.4 million (3.4% of the reported $623.3 million net sales), and after write-off the advances totaled $18.4 million (2.9% of net sales). The write-off therefore represented 0.5% of net sales and 14.1% of gross advances.

TABLE G11 - EDITORIAL EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 21 PUBLISHERS
WITH TOTAL NET SALES OF $776,865,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		6 PUBLISHERS NET SALES $25-$45 MILLION		6 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
EDITORIAL COSTS										
DEPARTMENTAL (OTHER THAN COPY EDITING) SALARIES	29007	3.7	1328	6.5	4250	4.4	8453	3.9	14976	3.4
BENEFITS	5226	0.7	93	0.5	700	0.7	1735	0.8	2698	0.6
DEP'T'L TRAVEL & ENT.	4390	0.6	289	1.4	722	0.8	1455	0.7	1924	0.4
ADVISOR'S FEES	4662	0.6	194	0.9	1122	1.2	2101	1.0	1246	0.3
OTHER EDITORIAL EXP.	8461	1.1	157	0.8	666	0.7	3332	1.5	4306	1.0
TOTAL EDITORIAL EXPENSE	51747	6.7	2060	10.1	7460	7.8	17077	7.9	25150	5.7

TABLE G12 - PRODUCTION EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 20 PUBLISHERS
WITH TOTAL NET SALES OF $775,759,000

	ALL PUBLISHERS		3 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		6 PUBLISHERS NET SALES $25-$45 MILLION		6 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PRODUCTION COSTS										
PRODUCTION SALARIES	10800	1.4	236	1.2	1767	1.8	3023	1.4	5773	1.3
PRODUCTION BENEFITS	2264	0.3	18	0.1	377	0.4	613	0.3	1257	0.3
OUTSIDE PRODUCTION COSTS	2156	0.3	67	0.3	320	0.3	632	0.3	1137	0.3
COPY EDITING COSTS (INC. SALARIES)	4966	0.6	81	0.4	928	1.0	1722	0.8	2235	0.5
COPY EDITING STAFF BENEFITS	487	0.1	9	0.0	58	0.1	229	0.1	191	0.0
OTHER PRODUCTION EXP.	3717	0.5	33	0.2	474	0.5	2046	0.9	1164	0.3
TOTAL PRODUCTION EXPENSE	24389	3.1	445	2.3	3924	4.1	8264	3.8	11756	2.6

TABLE G13 - MARKETING EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 20 PUBLISHERS
WITH TOTAL NET SALES OF $718,036,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		6 PUBLISHERS NET SALES $25-$45 MILLION		5 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
SELLING EXPENSE										
SALARIES & BONUSES	35811	5.0	1008	4.9	5476	5.7	12451	5.8	16876	4.4
BENEFITS	6675	0.9	86	0.4	1001	1.0	2445	1.1	3143	0.8
DEPARTMENTAL TRAVEL & ENTERTAINMENT	13297	1.9	461	2.3	2409	2.5	4983	2.3	5444	1.4
OTHER SELLING EXPENSE	14637	2.0	251	1.2	2603	2.7	5548	2.6	6236	1.6
TOTAL SELLING EXPENSE	70421	9.8	1806	8.8	11490	12.0	25427	11.8	31699	8.2
PROMOTION EXPENSE										
DEPARTMENTAL SALARIES & BONUSES	7556	1.1	270	1.3	826	0.9	1936	0.9	4525	1.2
BENEFITS	1534	0.2	15	0.1	167	0.2	456	0.2	895	0.2
DEPARTMENTAL TRAVEL & ENTERTAINMENT	463	0.1	14	0.1	54	0.1	162	0.1	233	0.1
SPACE ADVERTISING	1917	0.3	75	0.4	231	0.2	594	0.3	1017	0.3
CATALOGS, DIRECT MAIL & SELLING MAT'L	10436	1.5	709	3.5	1770	1.8	2914	1.3	5043	1.3
FREE COPIES (INCL. POSTAGE)	21769	3.0	940	4.6	3193	3.3	6350	2.9	11286	2.9
FREE ANCILLARY SOFTWARE & FILMS	279	0.0	97	0.5	182	0.2	0	0.0	0	0.0
EXHIBITS	1673	0.2	64	0.3	297	0.3	498	0.2	814	0.2
OTHER	5353	0.7	83	0.4	322	0.3	1188	0.5	3759	1.0
TOTAL PROMOTION EXPENSE	50979	7.1	2267	11.1	7042	7.3	14098	6.5	27572	7.2
TOTAL MARKETING EXPENSE	121400	16.9	4073	19.9	18532	19.3	39525	18.3	59270	15.4

TABLE G14 - SALESMEN'S COMPENSATION AND EXPENSE OF COLLEGE PUBLISHERS

	1985	1984	1983	1982
NUMBER OF COMPANIES REPORTING	17	14	14	13
NUMBER OF SALESMEN	954	800	795	732
AVERAGE SALARY ($)	22255	20876	20945	19854
AVERAGE SALARY AND COMMISSION ($)	26994	25689	24777	23712
AVERAGE TRAVEL EXP. ($)	12836	12072	11850	10542
AVERAGE CONFERENCE EXPENSE ($)	2142	2045	1973	1701
AVERAGE FREE COPY EXPENSE ($)	20274	18744	16579	16406

Continued on page G-21

TABLE G14 - SALESMEN'S COMPENSATION AND EXPENSE OF COLLEGE PUBLISHERS

Continued from page G-20

	1985	1984	1983	1982
TOTAL COMPENSATION, TRAVEL, CONFERENCE & FREE COPIES AS A PERCENT OF NET SALES	10.2	10.2	10.1	9.9
AVERAGE TERRITORY SIZE ($000)	554	567	550	550

TABLE G15 - FULFILLMENT EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS

AS REPORTED BY 12 PUBLISHERS WITH NET SALES OF $468,824,000 USING INTERNAL FACILITIES	ALL PUBLISHERS		1 PUBLISHER NET SALES UP TO $10 MILLION		4 PUBLISHERS NET SALES $10-$25 MILLION		4 PUBLISHERS NET SALES $25-$45 MILLION		3 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
ORDER PROCESSING AND CUSTOMER SERVICE										
SALARIES (TOTAL)	7361	1.6			1414	1.9	1505	1.0	4424	1.8
ACC'TS RECEIVABLE & CREDIT CONTRL	3545	0.9			315	0.5	258	0.2	2972	1.3
ORDER PROCESSING & CUSTOMER SERV.	2723	0.7			690	1.1	887	0.8	1147	0.5
OTHER	245	0.1			159	0.3	87	0.1	0	0.0
UNSPECIFIED	847				251		274		305	
BENEFITS	1696	0.4			303	0.4	355	0.2	1034	0.4
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	5191	1.1			636	0.9	662	0.5	3893	1.6
OTHER (INC. EQUIPMENT AND SUPPLIES)	1765	0.4			75	0.1	218	0.2	1472	0.6
TOTAL ORDER PROCESSING AND CUSTOMER SERVICE	16012	3.4			2427	3.3	2741	1.9	10823	4.3
SHIPPING & WAREHOUSING										
SALARIES	8919	1.9			1774	2.4	2492	1.7	4653	1.9
BENEFITS	1805	0.4			405	0.5	525	0.4	875	0.4
OCCUPANCY	4381	0.9			931	1.3	2201	1.5	1248	0.5
EQUIPMENT & SUPPLIES	1202	0.3			231	0.3	447	0.3	524	0.2
TRANSPORTATION CHRGES	1254	0.3			347	0.5	578	0.4	251	0.1
OTHER	-452	-0.1			-26	-0.0	91	0.1	-523	-0.2
TOTAL SHIPPING AND WAREHOUSING	17109	3.6			3663	4.9	6334	4.4	7028	2.8
TOTAL FULFILLMENT EXP. OF PUBLISHERS USING INTERNAL FACILITIES	33121	7.1			6091	8.2	9075	6.3	17851	7.2

Data for the "Under $10 Million" category have been suppressed to prevent disclosure.

TABLE G16 - GENERAL AND ADMINISTRATIVE EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 20 PUBLISHERS
WITH TOTAL NET SALES OF $732,704,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		5 PUBLISHERS NET SALES $25-$45 MILLION		6 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
MANAGEMENT SALARIES	10551	1.5	729	3.6	1374	1.4	1900	1.1	6548	1.7
MANAGEMENT BENEFITS	2387	0.3	366	1.8	208	0.2	555	0.3	1259	0.3
ACCOUNTING SALARIES	6028	0.9	272	1.3	928	1.0	1039	0.6	3788	1.0
ACCOUNTING BENEFITS	1341	0.2	27	0.1	168	0.2	305	0.2	841	0.2
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	4483	0.7	231	1.1	648	0.7	1456	0.8	2148	0.5
GENERAL OFFICE BENEFITS	1064	0.2	38	0.2	119	0.1	424	0.2	483	0.1
GENERAL TRAVEL & ENT.	1391	0.2	57	0.3	201	0.2	343	0.2	791	0.2
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOCATED)	5951	0.9	40	0.2	381	0.4	1395	0.8	4135	1.0
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	12729	1.9	278	1.4	2267	2.4	3293	1.9	6891	1.7
TAXES (EXCEPT INCOME & PAYROLL TAXES)	1278	0.2	67	0.3	373	0.4	254	0.1	584	0.1
PERSONAL PROPERTY TAX	541	0.1	4	0.0	275	0.3	135	0.1	127	0.1
ALL OTHER TAXES	504	0.1	63	0.3	98	0.1	118	0.1	224	0.1
UNSPECIFIED	233		0		0		0		233	
INTEREST EXPENSE	1827	0.3	182	0.9	546	0.6	0	0.0	1099	0.3
OTHER	20865	3.1	1182	5.8	4219	4.4	4186	2.4	11278	2.9
TOTAL GENERAL AND ADMINISTRATIVE EXP.	69894	10.2	3471	17.0	11428	11.9	15150	8.8	39844	10.1

TABLE G17 - SUMMARY OF EMPLOYEE BENEFITS EXPENSE OF COLLEGE PUBLISHERS - BY SIZE OF PUBLISHER

THOUSANDS OF DOLLARS - AS REPORTED BY 19 PUBLISHERS
WITH TOTAL NET SALES OF $658,717,000

	ALL PUBLISHERS		4 PUBLISHERS NET SALES UP TO $10 MILLION		5 PUBLISHERS NET SALES $10-$25 MILLION		5 PUBLISHERS NET SALES $25-$45 MILLION		5 PUBLISHERS NET SALES ABOVE $45 MILLION	
	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES	$	PCT-NET SALES
PENSIONS	3614	0.6	70	0.6	462	0.5	649	0.4	2433	0.7
DEFERRED PROFIT SHARING	2974	0.5	50	0.4	357	0.4	584	0.3	1984	0.5
HOSPITALIZATION & GROUP INSURANCE	7326	1.1	259	2.1	1412	1.5	2346	1.4	3308	0.9
PAYROLL TAXES	9673	1.5	313	2.5	1494	1.6	2818	1.6	5049	1.4
OTHER	2209	0.3	142	1.2	72	0.1	341	0.2	1653	0.4
TOTAL EMPLOYEE BENEFITS	25796	4.0	833	6.7	3798	4.0	6738	3.9	14427	3.9

TABLE G18 - EDITORIAL EXPENSE RATIOS OF COLLEGE PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 18 PUBLISHERS
WITH 1985 NET SALES OF $737,589,000

	1985			1984		1983		1982
	PCT NET SALES	PCT CHG FROM 84	PCT CHG FROM 82	PCT NET SALES	PCT CHG FROM 83	PCT NET SALES	PCT CHG FROM 82	PCT NET SALES
EDITORIAL COSTS								
DEPARTMENTAL (OTHER THAN COPY EDITING)								
SALARIES	3.7	0.7	8.8	3.6	13.1	3.2	-4.4	3.4
BENEFITS*	0.7	2.6	38.3	0.7	23.8	0.5	8.9	0.5
DEP'T'L TRAVEL & ENT.	0.6	-7.9	-12.5	0.6	3.2	0.6	-8.0	0.6
ADVISOR'S FEES	0.5	-4.7	-6.4	0.6	14.1	0.5	-14.0	0.6
OTHER EDITORIAL EXP.	1.1	-3.0	18.2	1.2	17.2	1.0	4.0	0.9
TOTAL EDITORIAL EXPENSE	6.6	-1.0	8.9	6.6	13.8	5.8	-3.3	6.0

* In AAP Industry Statistics Reports prior to the 1984 edition, **Employee Benefits** were shown as a series of line items on the General and Administrative Table. This is the second year that **benefits** have been allocated in each expense area (Editorial, Production, Marketing, etc.). They are also shown in summary in **Table G23.** While the restatement seems proper for 1984 and 1985 data, some publishers had difficulty with the historical (1982-83) data and the reader is cautioned that the **benefits** items for 1982-83 may be **understated**, and that the percentage changes from year-to-year for **benefits** may well be **overstated** in **Tables G18 through G22.**

TABLE G19 - PRODUCTION EXPENSE RATIOS OF COLLEGE PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 17 PUBLISHERS
WITH 1985 NET SALES OF $736,483,000

	1985			1984		1983		1982
	PCT NET SALES	PCT CHG FROM 84	PCT CHG FROM 82	PCT NET SALES	PCT CHG FROM 83	PCT NET SALES	PCT CHG FROM 82	PCT NET SALES
PRODUCTION COSTS								
PRODUCTION SALARIES	1.4	14.1	14.6	1.2	0.5	1.2	-0.1	1.2
PRODUCTION BENEFITS*	0.3	20.2	80.8	0.2	12.9	0.2	33.3	0.2
OUTSIDE PRODUCTION COSTS	0.3	26.9	39.4	0.2	-8.4	0.2	19.9	0.2
COPY EDITING COSTS (INCL. SALARIES)	0.6	-36.4	-33.3	1.0	45.0	0.7	-27.7	0.9
COPY EDITING STAFF BENEFITS*	0.1	-53.7	-33.0	0.1	143.8	0.1	-40.7	0.1
OTHER PRODUCTION EXP.	0.5	48.9	182.4	0.3	-0.4	0.3	90.5	0.2
TOTAL PRODUCTION EXPENSE	3.1	0.3	12.6	3.1	14.6	2.7	-2.0	2.8

* Please see coreesponding note on **Table G-18.**

TABLE G20 - MARKETING EXPENSE RATIOS OF COLLEGE PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 17 PUBLISHERS
WITH 1985 NET SALES OF $678,760,000

	1985			1984		1983		1982
	PCT NET SALES	PCT CHG FROM 84	PCT CHG FROM 82	PCT NET SALES	PCT CHG FROM 83	PCT NET SALES	PCT CHG FROM 82	PCT NET SALES
SELLING EXPENSE								
SALARIES & BONUSES	5.0	-7.8	-5.9	5.4	13.2	4.8	-9.8	5.3
BENEFITS*	0.9	-0.4	56.9	0.9	43.9	0.7	9.5	0.6
DEPARTMENTAL TRAVEL & ENTERTAINMENT	1.8	-6.3	-4.3	1.9	9.7	1.8	-6.9	1.9
OTHER SELLING EXPENSE	2.1	42.4	78.5	1.5	1.6	1.5	23.4	1.2
TOTAL SELLING EXPENSE	9.8	0.8	9.8	9.7	12.8	8.6	-3.5	8.9
PROMOTION EXPENSE								
DEPARTMENTAL SALARIES & BONUSES	1.1	18.1	3.8	0.9	24.6	0.7	-29.5	1.0
BENEFITS*	0.2	8.7	118.5	0.2	111.1	0.1	-4.7	0.1
DEPARTMENTAL TRAVEL & ENTERTAINMENT	0.1	-21.1	-37.9	0.1	18.0	0.1	-33.3	0.1
SPACE ADVERTISING	0.3	-22.0	-29.7	0.4	22.7	0.3	-26.5	0.4
CATALOGS, DIRECT MAIL & SELLING MAT'L	1.4	-5.4	3.4	1.5	5.4	1.4	3.6	1.4
FREE COPIES (INCL. POSTAGE)	3.0	1.6	7.7	3.0	13.9	2.6	-6.9	2.8
FREE ANCILLARY SOFTWARE & FILMS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EXHIBITS	0.2	-9.7	21.4	0.3	19.2	0.2	12.8	0.2
OTHER	0.8	29.2	27.1	0.6	0.2	0.6	-1.9	0.6
TOTAL PROMOTION EXPENSE	7.1	2.9	7.1	6.9	14.0	6.0	-8.8	6.6
TOTAL MARKETING EXPENSE	16.9	1.7	8.6	16.6	13.3	14.7	-5.7	15.6

* Please see corresponding note on page G-23.

TABLE G21 - FULFILLMENT EXPENSE RATIOS OF COLLEGE PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 10 PUBLISHERS
WITH 1985 NET SALES OF $432,997,000

	1985			1984		1983		1982
	PCT NET SALES	PCT CHG FROM 84	PCT CHG FROM 82	PCT NET SALES	PCT CHG FROM 83	PCT NET SALES	PCT CHG FROM 82	PCT NET SALES
ORDER PROCESSING AND CUSTOMER SERVICE								
SALARIES (TOTAL)	1.5	-9.6	-4.5	1.6	16.5	1.4	-9.3	1.5
ACC'TS RECEIVABLE & CREDIT CONTRL	0.8	196.6	207.8	0.3	16.7	0.2	-11.1	0.2
ORDER PROCESSING & CUSTOMER SERV.	0.5	-57.4	-55.2	1.1	17.4	1.0	-10.5	1.1
OTHER	0.0	-13.7	19.3	0.0	10.3	0.0	25.4	0.0
UNSPECIFIED	0.2	1.9	7.6	0.2	12.7	0.2	-6.3	0.2
BENEFITS*	0.4	-2.7	101.1	0.4	113.8	0.2	-3.4	0.2
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOC.)	1.1	-19.1	13.0	1.4	35.5	1.0	3.0	1.0
OTHER (INC. EQUIPMENT AND SUPPLIES)	0.4	84.7	98.3	0.2	44.8	0.2	-25.8	0.2
TOTAL ORDER PROCESSING AND CUSTOMER SERVICE	3.4	-6.9	14.9	3.6	31.1	2.8	-5.9	2.9
SHIPPING & WAREHOUSING								
SALARIES	1.8	-2.3	-0.2	1.8	14.0	1.6	-10.4	1.8
BENEFITS*	0.4	-5.2	58.3	0.4	87.8	0.2	-11.1	0.2
OCCUPANCY	0.9	-13.3	-11.2	1.0	22.8	0.8	-16.6	1.0
EQUIPMENT & SUPPLIES	0.3	-29.5	-30.2	0.4	30.0	0.3	-23.9	0.4
TRANSPORTATION CHRGES	0.2	-11.3	-43.9	0.3	-8.3	0.3	-30.9	0.4
OTHER	-0.1	-12.0	-487.1	-0.1	437.2	-0.0	-181.9	0.0
TOTAL SHIPPING AND WAREHOUSING	3.4	-8.6	-10.9	3.8	17.4	3.2	-16.9	3.9
TOTAL FULFILLMENT EXP. OF PUBLISHERS USING INTERNAL FACILITIES	6.8	-7.8	0.3	7.4	23.8	6.0	-12.2	6.8

* Please see corresponding note on page G-23.

TABLE G22 - GENERAL AND ADMINISTRATIVE EXPENSE RATIOS OF COLLEGE PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 16 PUBLISHERS
WITH 1985 NET SALES OF $671,707,000

	1985			1984		1983		1982
	PCT NET SALES	PCT CHG FROM 84	PCT CHG FROM 82	PCT NET SALES	PCT CHG FROM 83	PCT NET SALES	PCT CHG FROM 82	PCT NET SALES
MANAGEMENT SALARIES	1.5	13.5	30.0	1.4	13.2	1.2	1.2	1.2
MANAGEMENT BENEFITS *	0.4	0.9	207.8	0.4	107.6	0.2	46.9	0.1
ACCOUNTING SALARIES	0.9	7.0	9.9	0.8	4.8	0.8	-2.0	0.8
ACCOUNTING BENEFITS *	0.2	-12.9	80.9	0.2	85.9	0.1	11.7	0.1
GENERAL OFFICE SALARIES (EXC. FULFILLMENT)	0.7	-14.7	-15.2	0.8	-20.8	1.0	25.5	0.8
GENERAL OFFICE BENEFITS *	0.2	-31.6	-59.5	0.2	-46.3	0.4	10.3	0.4
GENERAL TRAVEL & ENT.	0.2	-22.5	-0.1	0.3	31.1	0.2	-1.7	0.2
EDP/SYSTEMS EXPENSE (DIRECT OR ALLOCATED)	0.9	1.8	13.2	0.9	3.3	0.9	7.6	0.8
OCCUPANCY EXPENSE (EXC. WAREHOUSING)	1.8	-5.9	-4.1	1.9	10.7	1.7	-7.9	1.8
TAXES (EXCEPT INCOME & PAYROLL TAXES)	0.2	-4.9	-7.0	0.2	30.2	0.1	-24.9	0.2
PERSONAL PROPERTY TAX	0.1	-3.7	-29.2	0.1	-6.2	0.1	-21.7	0.1
ALL OTHER TAXES	0.1	-10.3	29.2	0.1	168.2	0.0	-46.3	0.1
UNSPECIFIED	0.0	4.1	-8.1	0.0	-7.4	0.0	-4.7	0.0
INTEREST EXPENSE	0.2	1.6	20.3	0.2	26.6	0.2	-6.4	0.2
OTHER	3.1	-12.1	-19.9	3.5	11.4	3.1	-18.2	3.8
TOTAL GENERAL AND ADMINISTRATIVE EXP.	10.1	-5.2	-3.1	10.7	7.6	9.9	-5.0	10.4

* Please see corresponding note on page G-23.

TABLE G23 - EMPLOYEE BENEFITS EXPENSE RATIOS OF COLLEGE PUBLISHERS

THOUSANDS OF DOLLARS - AS REPORTED BY 14 PUBLISHERS
WITH 1985 NET SALES OF $561,911,000

	1985			1984		1983		1982
	PCT NET SALES	PCT CHG FROM 84	PCT CHG FROM 82	PCT NET SALES	PCT CHG FROM 83	PCT NET SALES	PCT CHG FROM 82	PCT NET SALES
PENSIONS	0.6	-1.9	-4.8	0.6	-30.9	0.9	40.5	0.6
DEFERRED PROFIT SHARING	0.4	-24.5	-4.2	0.6	27.9	0.4	-0.8	0.4
HOSPITALIZATION & GROUP INSURANCE	1.1	-16.5	8.9	1.3	18.3	1.1	10.2	1.0
PAYROLL TAXES	1.5	0.6	11.5	1.5	17.3	1.3	-5.5	1.4
OTHER	0.4	250.1	290.5	0.1	83.5	0.1	-39.2	0.1
TOTAL EMPLOYEE BENEFITS	4.0	-2.3	13.3	4.1	8.4	3.8	6.9	3.5

TABLE G24 - EMPLOYEE DATA OF COLLEGE PUBLISHERS

AS REPORTED BY 15 PUBLISHERS - EMPLOYING 3,311 TOTAL STAFF (1985)
(1985 NET SALES PER EMPLOYEE - $180,513)

	AVERAGE NUMBER OF EMPLOYEES PER $1,000,000 OF NET SALES				YOUR DATA			
	1985	1984	1983	1982				
ACQUISITION & DEVELOPMENT	1.1	1.1	1.2	1.4				
PRODUCTION, EDITORIAL & MANUFACTURING	0.8	0.9	0.8	1.0				
MARKETING (TOTAL)	2.4	2.4	2.3	2.7				
SALES	1.9	1.9	1.8	2.1				
PROMOTION	0.5	0.5	0.5	0.6				
ADMINISTRATIVE MANAGEMNT	0.4	0.4	0.3	0.4				
OTHER	0.9	1.0	1.0	0.8				
ALL EMPLOYEES	5.5	5.8	5.7	6.4				

(The following is text material for Table G7b which appears on page G-12)

In **Table G7b,** estimated sales are related to enrollment data on a state-by-state basis. 1984 and 1985 again utilize estimated **full-time equivalent** fall enrollment data. The estimates are based on data released by the National Center for Education Statistics. Since both sales and enrollments are estimated and no adjustments are made for the sales of college textbooks to markets other than formal higher education, the resulting per capita figures **should not be taken literally** but should be regarded as trend indicators only.